

Weekend FINANCIAL TIMES

Weekend FT
The drinks are
on Russia

SECTION II

World Business Newspaper

US grants visa to president of IRA's political wing

US president Bill Clinton yesterday granted a three-month visa to Gerry Adams, president of the political wing of the anti-British Irish Republican Army. The move, against British government wishes, follows prime minister John Major's outburst on Thursday against the IRA's failure to renew its ceasefire. It is understood the Sinn Fein leader will not be allowed to raise funds while in the US for St Patrick's day celebrations on March 17, and will not visit the Whitehouse party to mark the Irish holiday. Page 22

Gorbachev to seek Russian presidency
Former Soviet leader Mikhail Gorbachev, who dismantled his country's totalitarian system, declared yesterday that he would run for Russian president in June. Though fated in the west, Mr Gorbachev is apparently loathed in Russia and seems to stand little chance of success. A recent opinion poll gave him just 1 per cent support among voters. Page 22

Threat to block Maastricht
Democratic party threatened to block the country's ratification of measures arising from the Inter-governmental Conference on reforming the European Union unless it agrees to job-boosting steps. Page 2

Athens demands envoy's recall
Greece is asking Italy and the Netherlands to recall their military attachés after they were detained with documents which "could have been related to information on military installations". Page 2

Fokker on the brink
Dutch aircraft maker Fokker won a stay of execution from bankruptcy after the Dutch government extended bridging credit for another 14 days. Page 5

US anger at Colombia
Washington struck Colombia off its list of countries making progress against illegal drugs, which means the country will lose US aid and economic co-operation. Page 3

Tribunal charges officer
The UN tribunal for former Yugoslavia charged Bosnian Serb general Djordje Djukic with war crimes related to bombardments of civilians in Sarajevo. Djukic was captured on January 30 and down to The Hague.

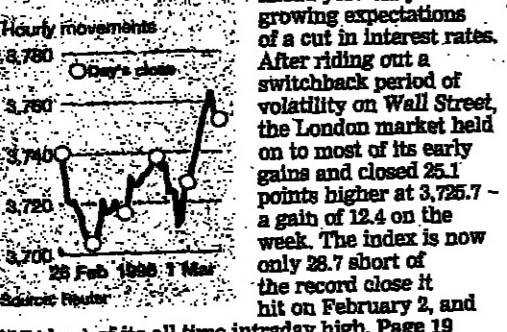
Persian crash kills 123
A Boeing 737 crashed in the Peruvian Andes, killing all 123 people aboard. The aircraft left Lima bound for Arequipa but crashed as it prepared to land in the southern city.

Normandy Mining of Australia becomes a candidate for takeover
Minco, an offshore operating arm of South Africa's Anglo American Corporation, sold its 18.9 per cent stake - much of which was then acquired by Australia's Newcrest Mining. Page 5

US index improves slightly
The US purchasing managers' index rose to 45.2 per cent last month from January's 44.2 per cent, showing the outlook for manufacturing is still troubled. Page 3

Belgian strike hits travel
A one-day strike by two Belgian rail unions disrupted travel. The unions took action over plans, including job and pay cuts, aimed at making the railways profitable.

UK stocks surge amid rate hopes
FT-SE 100 index



Pure rocks
Rock bands who perform regularly in Hanoi will have to pass a culture ministry purity test. The move is part of Vietnam's purge of political social vices and foreign influences.

Companies in this issue

British Airways	4	ICI
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Cunard	6	Lockheed (Thomas)
Dawsongroup	6	Lotus
Energie	6	MFI Furniture
Enviromed	6	Memory
Escom	5	Mercedes-Benz
Ferrari	5	Minorca
Fokker	5	Newcrest Mining
Formcast	5	Normandy Mining
Fujitsu	5	Regal Hotel
GWR	5	Reliance Security
Go-Ahead	5	Sherwin-Williams
Granada	6	Trafalgar House
Grow	6	Trenthamwood
Henrys	4	Walt Disney
Hickson Int'l	5	Wilson Bowden

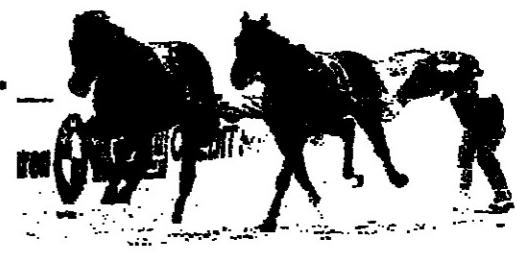
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Lunch with
Lisa Leeson

WEEKEND MARCH 2/MARCH 3 1996



Sport on ice
at St Moritz

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Compaq shares fall over price-cut strategy

By Louise Kehoe
in San Francisco

Compaq Computers
Share price (\$)
64
62
60
58
56
54
52
50
48
46
44
42
40
38
36
34
32
30
28
26
24
22
20
18
16
14
12
10
8
6
4
2
0
Jan 1996 Mar

Source: FT Data

the US high technology sector.
Mr Eckhard Pfeiffer, Compaq chief executive, said February sales had not met anticipated growth rates.

The company added that competition had intensified, particularly in the North American market for PC servers - powerful computers linked to networks of desktop machines.

The Compaq announcement raised investor fears of a decline

in demand for PCs. Compaq's shares were trading at \$42.45 at mid-session, down \$8.45, while shares in Intel, the leading supplier of microprocessors to the PC industry, were down \$2.15 at \$86.45. Dell Computer was down \$2.25 at \$30.75.

Compaq insisted, however, that growth in the consumer and corporate segments of the PC market continued to be strong.

"This is not a demand issue,"

said Mr Daryl White, Compaq finance director. One exception, however, is in Germany, where PC sales had declined over the past few months, he said. "This may be related to economic and political conditions," he suggested.

Further evidence of problems in the German PC market came yesterday from Escom, one of the leading German PC manufacturers. The company announced a

DM125m (\$85m) loss for 1995, blaming market conditions for its declining revenues and inventory write-offs. In the North American market, Compaq said its PC server business was coming under mounting pressure from top competitors. PC servers typically carry much higher profit margins than desktop or laptop

Continued on Page 22
Escom deficit, Page 5

Tokyo urges EU to match Asia's free trade moves

By Peter Montagnon,
Ted Berdacke and
John Kampfner in Bangkok

Mr Ryutaro Hashimoto, Japan's prime minister, yesterday called on European leaders to open their markets to respond to the trade liberalisation process under way in the Asia-Pacific.

The Japanese leader's challenge, delivered at the European Union-Asia summit in Bangkok, echoed the growing fear among Asian nations that Europe would be a "free-rider" without market-opening measures of its own.

Countries in the Asia-Pacific Economic Co-operation forum (Apec), which also includes the US, have already agreed to free all their trade by 2020, even with nations outside the region.

A search for ways of meshing the Apec objective with separate and still informal efforts to improve Asia's trade and investment links with Europe has emerged as a main theme of the summit.

Despite Asian fears that the meeting would be dominated by rules over human rights, trade and security issues came to the fore. European leaders raised human rights issues privately with China and other Asian

countries but, as expected, kept them out of group sessions.

The summit rejected a formal Apec-style timetable for trade liberalisation between Asia and Europe. Instead, leaders focused on the need to work through the World Trade Organisation.

EU officials said Europe did much to open its markets to the outside world under its 1992 single market programme. But they acknowledged privately that if Apec moves far ahead of Europe, they might have to consider further measures of their own.

Sir Leon Brittan, EU trade commissioner, said he was pleased the summit would agree to detailed follow-up measures, which will be part of a communiqué today and are expected to include a meeting of officials to prepare a strong agenda for the WTO ministerial meeting in Singapore in December.

But Europe has had less success in persuading Asia to consider more liberal rules on foreign investment. Though Thailand has proposed an "action plan" on investment, its definition remains unclear.

Many Asian countries still prefer voluntary action to attract investment rather than allow rules preventing discrimination

against foreign companies to be imposed on them from outside.

"We get the impression that this [rule-based system] is an unbalanced approach with all freedoms being given to the investing country but no corresponding freedoms for the receiving country," said Mr Ali Alatas, Indonesian foreign minister.

In further contrast with the Apec process, the summit stressed the importance of co-operation on security. As a gesture, Europe yesterday confirmed its Ecu95 (\$6.29m) contribution to the international consortium providing North Korea with safe nuclear reactors for power generation. In return, it is seeking further contributions from Asia for reconstruction in former Yugoslavia.

At today's closing session, Mr John Major, the UK prime minister, will praise Asia's "dynamism and entrepreneurial spirit" - a hallmark of many of his domestic speeches which have sought to contrast the high growth rates of "Asian tigers" with EU labour directives such as the social chapter.

British officials said they and most EU partners had no concerns about the communiqué's wording on human rights.

Madrid stock market climbs to two-year high



Rallying support: Felipe Gonzalez waves to supporters at the end of his campaign rally in Barcelona's Olympic stadium

Investors poised for poll win by Spanish opposition

By David White and
Tom Burns in Madrid

Madrid's stock market reached a two-year high yesterday in anticipation of a general election victory by the centre-right Popular party tomorrow.

However, investors were waiting to see whether the PP, bidding to end the Socialist administration's 13-year rule, would win enough seats to be able to govern alone and push through plans to liberalise the economy and cut the state deficit.

"We are waiting to move," said one London trader as the Madrid stock market index edged up 0.32 points to 345.87, its highest level since early 1994. The markets are looking for a clear result, which they believe would prompt a rapid cut in interest rates.

Leaders of Spain's political parties last night sought to muster last-minute support for the elections, widely expected to bring the PP to power for the first time.

A tense campaign, twice interrupted last month by terrorist killings by the Basque ETA organisation, came to a halt at midnight after final meetings staged

Continued on Page 22
Exhibition of democracy, Page 9

Japanese business confidence at highest level for four years

By William Dawkins in Tokyo

Japanese companies are at their most confident for four years, according to a central bank survey, heightening speculation that interest rates may be increased.

However, other figures released yesterday pointed to only a modest recovery in the country's economy.

The latest Bank of Japan quarterly corporate confidence index - which measures the balance

on a gentle rise since early 1994, interrupted by a downward jolt in the middle of last year when the dollar fell to just under Y80, a level widely thought to be beyond Japanese exporters' ability to compete internationally.

The central bank survey, known as the Tanman survey, is the most comprehensive guide to Japan's short-term economic outlook and is an important influence on monetary policy.

Tokyo economists are speculating that the central bank might take those results, the latest in a series of pointers to recovery, as a signal to tighten its unprecedentedly loose monetary stance over the next few months.

In anticipation, long-term interest rates have risen recently. But BOJ and Finance Ministry offi-

cials stress that they wish to stabilise the financial system's problems before considering any change in monetary stance.

To add to policymakers' caution, yesterday's Tanman survey confirmed that the recovery is still gradual. Big manufacturers expect sales to rise by 2.1 per cent in the financial year to March 1997, the third year of increase, after 1.5 per cent in the current year.

The balance of service sector companies to report better conditions improved from minus 22 per cent to minus 18 per cent, rather less cheerful than manufacturers. Small manufacturing businesses saw a larger improvement, from minus 30 per cent to

Continued on Page 22

STOCK MARKET INDICES

■ US LUNCHTIME RATES	■ STERLING	■ DOLLAR
Federal Funds: 5.1%	New York lunchtime: £1.62805	DM 1.4777
3-m Treas Bills: Yld. 4.971%	London: S 1.6294 (1.5309)	Fr 5.0695
Long Bond: 9.4%	DM 1.4759 (1.4697)	SPT 1.20325
Yield: 6.988%	DM 2.2559 (2.25)	Y 105.80
■ NORTH SEA OIL [Argus]	London:	London:
Dow Jones Ind Av. 5,504.41 (16.715)	FF 7.7278 (7.7131)	DM 1.4759 (1.4697)
S & P Composite: 940.81 (10.38)	FF 1.8392 (1.8348)	Fr 5.0574 (5.0383)
■ GOLD	Y 161.178 (161.009)	St 1.2034 (1.1985)
New York Comex (Apr) \$400.20 (401.20)	S 161.76 (161.009)	Y 105.65 (105.17)
London: \$398.83 (400.50)	S Index: 88.8 (83.5)	S Index: 95.6 (94.5)
	London close: Y 161.85	Tokyo close: Y 105.85

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NEWS: INTERNATIONAL

Bonn opposition party demands European Union conference take up issue of high unemployment

German SPD threatens to block IGC

By Peter Norman in Bonn

Germany's opposition Social Democratic party yesterday threatened to block German ratification of measures arising from the Inter-Governmental Conference to reform the European Union unless it agrees steps to boost employment or takes steps towards a "social union" in Europe.

The SPD said social and employment policies must be the highest priority of the IGC

- which begins in Turin at the end of this month - in view of mass unemployment affecting nearly 20m people in the EU.

"That means there must be last agreements on employment policy and the European Social Union," said Ms Heide-marie Wieczorek-Zeul, the SPD's European policy spokeswoman, and Ms Ursula Engen-Kiefer, deputy head of the German Trade Union Federation and an SPD leader.

The SPD called for "binding

rules" on economic, employment and finance policy to be added to the Maastricht treaty to make possible a "European alliance for jobs". It said the treaty should be changed to allow more qualified majority voting on social issues leading to a European decision on minimum social standards.

At a press conference to explain the party's new stance on the IGC, Ms Wieczorek-Zeul said that in the absence of social and employment mea-

sures the SPD would refuse to allow ratification of other changes arising from the IGC negotiations in the Bundestag, the lower house of parliament. As measures involving transfer of power to the EU require a two thirds majority in the Bundestag, the SPD can in effect block measures agreed at the IGC and veto further progress in the EU.

The SPD's statements mark a further weakening of Germany's traditional bi-partisan

approach to EU affairs. Since last year SPD leaders have been expressing doubts about economic and monetary union.

The Bonn government has so far sought a relatively lean agenda for the IGC, arguing that to press for decisions on too many issues would cause the conference to become hopelessly bogged down.

Germany hopes to achieve progress towards a common foreign and security policy; greater co-operation in internal

affairs such as dealing with asylum seekers, migration and combatting organised crime and drug trafficking; reform of EU institutions to make decision-making more effective; and greater transparency in EU affairs to increase support for Europe among voters.

Although Chancellor Helmut Kohl has made unemployment the government's overriding domestic policy goal, he is unlikely to welcome the SPD's IGC threat.

Turkish right close to a coalition pact

By John Berham in Ankara

Turkey's two rival conservative leaders said last night they were close to forming a coalition government, but a "few small differences" remained to be settled before they could sign an agreement.

Mrs Tansu Ciller, caretaker prime minister and head of the True Path party, said: "We hope to announce the coalition framework and outlines on Sunday. We have overcome important stages in the coalition." Mr Mesut Yilmaz of the opposition Motherland party added that "only details" remained to be settled. The outcome of the talks was extremely positive.

Mr Yilmaz said he expected final agreement by tomorrow. Mrs Ciller said both parties would approve the coalition next week, allowing them to sign the new governments programme formally in the middle of the week.

Previously the two leaders had each demanded that they lead the coalition first before handing over the premiership to the other after a year. They also quarrelled over the powerful economic ministries. Disagreement over these points blocked two previous attempts at forming a coalition since inconclusive elections in December gave no party a mandate to rule. The Islamist Welfare party won the most seats in parliament, but failed to clinch a coalition deal with

Mrs Ciller, apparently responding to pressure from business, the media and the politically powerful military, has agreed to cede the premiership to Mr Yilmaz before taking over again in 1997 for two years, after which Mr Yilmaz would resume as prime minister for another year. A neutral figure would lead the coalition in its final, fifth year. The two parties have also reportedly agreed on how to divide the economic portfolios.

Although business welcomes the coalition, some in the Istanbul business world still question its ability to govern effectively. Mr Erol Sabanci, head of Alfabank, Turkey's biggest private bank, said yesterday: "I worry that this government cannot tackle problems adequately. If there are two voices in management it is not easy to make decisions."

Another senior banker said he feared political infighting would interfere with managing the economy: "If one party controls the central bank and the other has the treasury they could do a lot of damage if they don't learn to co-operate."

Mr Sabanci says he is reconciled to a continuation of Turkey's high inflation and big budget deficits, and expects poverty to worsen. He says new elections should be called in three to six months in the hope that voters would return a strong centre-right government.



General Djukic greets a member of his defence team at The Hague tribunal yesterday

Serb general indicted by war crimes tribunal

By Laura Silber in The Hague

A Bosnian Serb officer, General Djordje Djukic, was yesterday indicted by the international tribunal on war crimes in the former Yugoslavia for shelling civilians in Sarajevo.

The case is the most crucial test for the The Hague war crimes tribunal since it was founded three years ago.

General Djukic, 61 next month, has been held in custody with Bosnian Serb Colonel Aleksa Krstmanovic since February 12 after being extradited from Sarajevo. The two officers were seized by Moslem-led Bosnian government police on January 30 after they took a wrong turn near Sarajevo.

Chief prosecutor Richard Goldstone said he was satisfied there was enough evidence to justify indicting General Djukic. The general's lawyers had demanded his release and insisted that he would refuse to co-operate with the tribunal. Mr Goldstone said Gen Djukic

was logistics assistant to Bosnian Serb General Ratko Mladic, who is charged with genocide, and helped the Bosnian Serb army to shell civilian targets during the siege of Sarajevo.

Previously he was the Yugoslav army officer in charge of logistics in Bosnia and remained allegedly close to the Serbian leadership, who sponsored the Bosnian Serbs.

Prosecutors are now investigating whether he was involved in procuring buses used to transport Moslems from Srebrenica, where Serb soldiers are believed to have killed up to 8,000 Moslem men, or in the transport by rail of Moslems and Croats to Bosnian Serb detention camps.

The tribunal said a detention order on Colonel Krstmanovic had been extended for a month until April 3. Col Krstmanovic has not been indicted but is being held as a possible war crimes suspect and witness.

The case has raised fears among western governments

that, in the short term, the prosecution of war criminals - in particular the top leadership - will upset the hard-won Dayton peace agreement. The Bosnian Serb military last month severed all links with the National Implementation Force (Ifor) for two weeks in protest against the "kidnapping" of Gen Djukic.

The tribunal has now indicted 53 people, all but seven of them Serbs. Of the 53, only Gen Djukic and one other Serb, Mr Dusan Tadic, are in the tribunal's custody.

Mr Radovan Karadzic, Bosnian Serb chief, and General Mladic, military commander, were indicted last July but western ambivalence towards the tribunal is illustrated by the reluctance of Ifor to arrest the two men. Indeed, Mr Karadzic this week travelled across Bosnia to Banja Luka, the north-western Serb city.

The World Bank has demanded Ukraine accelerate privatisation before receiving about \$300m of loans. Privatisation receipts are critical to keeping the tight revenue and expenditure targets in the draft 1996 budget.

Goldstone interview. Weekend FT, Page XX

Little Estonia sends big tremors through mighty Orthodox church

The Soviet break-up has sparked rivalry between Moscow and Istanbul for leadership of the eastern Christians, reports Bruce Clark

From Vladivostok to Corfu, eastern Christians will tomorrow mark Orthodoxy Sunday - a commemoration of the moment in the 9th century when the veneration of icons was accepted as church doctrine after 100 years of strife.

But even as the downfall of the iconoclasts - the would-be destroyers of religious paintings - is celebrated for the 1,153rd time, a new fault line is emerging among the world's 160m or so Orthodox believers.

It is an argument with some disturbing historical overtones. It pits Bartholomew I, who as 270th Patriarch of Constantinople is broadly recognised as "first among equals" among eastern prelates, against the largest and most powerful group of his co-religionists - the Patriarchate of Moscow.

At stake are the 80 or so Orthodox parishes in Estonia, which were subordinated to the Moscow Patriarchate after the Soviet annexation of that republic in 1940 - but have recently returned to the mother church in Istanbul.

As Moscow tells it, the acceptance of Constantinople's responsibility for Estonia's believers amounts to control over the Baltic republic's government - and its policy of discrimination against Russians.

Mr Yelistr took little apparent interest in church affairs

but, embracing the Estonian parishes was a moral obligation, in response to the clearly expressed wishes of a majority of believers there.

The seat of Constantinople, now housed in modest wooden premises in a rundown quarter of Istanbul, has pronounced its opinion in a Greek so ancient and august that it would baffle the average Athenian on the trolley-bus.

But the principal message is clear enough: the Patriarchate has "accepted, as a tender-hearted mother, the free and

unanimous request of its children and recognised the church of Estonia as autonomous".

Patriarch Boris Yelistr intervened yesterday with a stern letter to Estonia's President Lennart Meri which expressed his "deepest concern" over the situation.

He said he was speaking both on behalf of his own subjects and his "compatriots" - in other words, Russian speakers in Estonia.

Mr Yelistr took little apparent interest in church affairs

between his baptism (and near drowning) by a tipsy priest in a Siberian village 60 years ago and his emergence in 1991 as leader of a Russia where religion was returning to vogue.

But in asserting the right to speak for Orthodox Christians outside his country, he was reviving an ancient tradition - dating at least to Catherine the Great, who challenged the Ottoman Empire by proclaiming herself the protectress of the Turks' Christian subjects.

The latest rift became a formal one last month when

the Russian Patriarch, who is from Tallinn, the Estonian capital, himself, knows the Estonian problem well and may be the only figure who can fashion a compromise. But as he fights Moscow's corner in the dispute, he is haunted by a formidable array of ghosts.

The claim of Moscow to have supplanted Istanbul as the capital of eastern Christendom has echoed down the centuries, particularly since the Queen of cities fell to the Ottoman Turks in 1453.

It was summed up by one of the most famous quotations in Russian history: the proclamation of the monk Filothei, in 1510 that "two Romes have fallen, but the third stands and no fourth can ever be".

As every Russian schoolboy knows, the eastern Slavs adopted Christianity from Byzantium - the second Rome - in 988 after their envoys had investigated several religions.

Islam was rejected because it would mean abstention from alcohol: in the words of Prince Vladimir, "drinking is the joy of Rus, we cannot live without it". Eastern Christianity was finally adopted, in acknowledgement of the breathtaking beauty of services in Byzantium's Hagia Sofia cathedral.

But even if the patriarchate of the Russian church is not in doubt, it has always been a strong-willed daughter.

Byzantine signature with Patriarch Bartholomew marks his pronouncements with this traditional flourish

Patriarch Alexy of Moscow took the grave step of dropping the Istanbul-based prelate from the list of churchmen for which prayers were offered at Russian services.

This move is not an outright schism: relations have been suspended, not severed altogether, and there are some churches which remain in communion with both sides.

Church leaders believe Patriarch Alexy has come under enormous pressure from nationalists within the Russian church to take a hard line.

INTERNATIONAL NEWS DIGEST

Athens demands attachés' recall

Greece said yesterday it had asked Italy and the Netherlands, its Nato partners, to recall their military attachés after they were briefly detained in January on the eastern Aegean island of Lesvos. A government statement said notes belonging to them were found "which could have related to information about military installations".

The announcement followed a question in parliament by a deputy from the governing Socialist party, who said the attachés were arrested on January 27, two days before Greece and Turkey came to the brink of war over two Aegean islets. Diplomats said it was unprecedented for a Nato partner to expel a military attaché from another alliance member-state. The tense climate in the Aegean has made Greece sensitive about fortifications in islands close to Turkey, where several thousand Greek troops are stationed.

Karin Hope, Athens

Property setback for Bonn

Chancellor Helmut Kohl's governing Christian Democrats yesterday suffered a setback after the Bundesrat, or upper house, threw out a draft law which would have given former owners of property along the Berlin Wall the right to restitution, provided they paid 25 per cent of the current market value to get their land back.

Instead, the SPD, which dominates the Bundesrat, said former owners should not have to pay anything at all, a move which will delight former owners, particularly east Germans who cannot afford to pay for land which was theirs before the wall was built in 1961. It will, however, prolong a six-year dispute which has plagued investors and divided the nation. The case will now be referred to an arbitration committee of the two parliamentary chambers.

Judy Dempsey, Berlin

Germany to outlaw army taunts

Germany's ruling coalition yesterday approved a draft bill which will punish pacifists who taunted the army, the bill is a response to conservative outrage at a series of court decisions endorsing the right of anti-war protesters to use the slogan Soldiers are Murderers, coined in the 1920s by leftwing satirist Kurt Tucholsky. The government is also keen to boost the army's status. Under the bill, those who insult the army will be fined or jailed for up to three years.

Reuter, Bonn

Caracas delays IMF talks

Political turmoil in the Venezuelan Congress has forced Caracas to postpone negotiations with the International Monetary Fund over a standby agreement. Mr Luis Matos Azocar, minister of finance, said the talks had been put off by "a couple of days" until the situation in Congress had been clarified.

Indication of a shift in party alliances ahead of today's elections for the president of Congress threatened the government's majority and its negotiating basis with the IMF. MAS, the socialist party, is considering withdrawing support from the government to join an alliance of opposition parties in exchange for the top congressional post.

Mr Matos Azocar said the government depended on congressional support to approve tax bills that would help reduce the budget deficit. The postponement of the IMF talks coincides with fading hopes that Venezuela will soon reach a standby agreement over \$3bn.

Raymond Colitt, Caracas

Warning on Russian trade curbs

The European Commission yesterday warned Russia that a future EU-Russia free trade pact and membership of the World Trade Organisation would be in jeopardy if Moscow put tariffs on a range of imports. Moscow wants to become a member of the WTO, but is under growing pressure ahead of presidential elections in June to defend its vulnerable industrial base with more protectionist economic policies. Mr Vladimir Pankov, finance minister, has said he wants to raise import tariffs on a range of goods from alcohol to cars by an average of 20 per cent. Mr Hans van den Broek, the EU foreign affairs commissioner, plans to discuss the issue during a visit to Moscow on March 18-19.

Reuter, Brussels

Hyundai plans \$6bn chip plants

Hyundai Electronics plans to spend \$6.6bn on four overseas semiconductor plants by the end of the decade, according to Mr Chung Mong-bin, the South Korean company's chairman. The new facilities in the US, Europe and south-east Asia are part of a \$10.7bn foreign investment programme. Two of the plants will be located in the US, including a \$1.3bn facility in Eugene, Oregon to produce memory chips and a \$2bn facility to manufacture wafers.

The \$1.3bn European plant, which Mr Chung said was likely to be located in the UK, will produce memory chips, while the \$2bn south-east Asian facility will manufacture wafers.

Hyundai will also invest \$300m to expand the production of hard disk drives in China and Singapore, while spending \$1bn to begin the overseas assembly of hard disk drive heads and other components following its 1994 purchase of Maxtor, a US hard disk drive maker.

John Burton, Seoul

Solar power for drink dispensers

Japan's environment agency yesterday reached an agreement to replace 10 per cent of the nation's soft drink vending machines with models powered by solar batteries. The accord reached between the agency and domestic vending machine makers called for the introduction of about 193,000 new machines within seven years, officials at the agency said.

According to the agency, Japan had 4.1m vending machines at the end of 1993, with 1.93m selling soft drinks. Kyodo, Tokyo

The Financial Times plans to publish a Survey on

Slovenia

on Thursday, March 14.

The survey will discuss Slovenia's political stability and developments in that area; also its rapidly improving infrastructure. Other articles will include the economy, trade, banking and finance and industry.

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NEWS: UK

Fujitsu delays \$1.25bn semiconductor growth

By Alan Cane in London and Chris Tighe in Newcastle upon Tyne



Fujitsu, the Japanese electronics company, is delaying by at least six months a planned £816m (\$1.25bn) expansion at its semiconductor plant at Newton Aycliffe in north-east England. The company said last September it would build a memory-chip-making facility to be completed next year creating 500 jobs. Yesterday it said construction would

be delayed until late 1998 with completion expected in early 1999. The level of investment, however, would be at least as high as promised.

The company said it had taken a strategic decision to leapfrog current technologies and move directly to the most advanced memory chips, 64mbit SD-Rams. "This move will propel the Durham [north-east England] plant to the forefront of volume memory device production," it said.

Analysts said yesterday that the company's decision represented an intelligent response to problems in the memory chip market in which

prices have fallen steeply because of uncertainty over demand for personal computers. Other manufacturers have closed chip production units or plan to do so.

Mr Joe D'Elia, semiconductor analyst for the technology consultancy Dataquest, said that in two years there would be strong demand for 64mbit SD-Rams which would command premium prices.

SD-Rams, which operate much more quickly than conventional DRAMS, would be needed to match the speed of the microprocessors which would be available then. Meanwhile Fujitsu

intends to increase production of 16mbit DRams in Newton Aycliffe to supply the European market.

The company has already invested £400m at the Newton Aycliffe site. The expansion announced last year was expected to make the site the UK's biggest single inward investment in recent years.

The investment decision confirmed north-east England, which Siemens also chose in 1995 for a £1.18bn microchip investment, as an emerging European location for semiconductor manufacture.

Yesterday Fujitsu said news of the

change in its strategy, announced to the Newton Aycliffe workforce during the morning, was good news for the site. Overall investment there, it said, was now likely to be bigger. "It maintains this plant at the high-technology end of the industry," said the company.

The news, added the company, further upgrades the products and status of the Newton Aycliffe plant, which in 1994 was designated best Fujitsu factory worldwide.

"The delay is a little bit disappointing, but it's well worth it," the company said.

UK NEWS DIGEST

Toll protesters invoke ancient law

The Act of Union between England and Scotland was invoked in court yesterday by an advocate who argued that tolls on the bridge to the island of Skye were illegal under the 16th century legislation. Mr Neil Murray, defending 78 people accused of not paying their toll on the privately financed bridge, said the charges violated two clauses of the 1707 Treaty of Union and were thus invalid.

The clauses, he said, guaranteed full freedom of trade and navigation throughout the two kingdoms, and ensured uniformity of legislation in Scotland and England. Some 73 people crowded into Dingwall Sheriff Court in northern Scotland charged with refusing to pay the tolls on the bridge which opened in October. The tolls are levied by the Skye Bridge company, a consortium of Miller Group of Edinburgh, Dywidag of Munich and Bank of America, which won a concession to construct the £25m (\$38.25m) bridge and recoup the cost through tolls for up to 27 years.

James Barron, Edinburgh

Russia expels businessman

Mr Nigel Shakespeare, a Moscow-based businessman, has achieved the rare distinction of being expelled from Russia for a second time because of "activities incompatible with his status" - a phrase normally regarded as diplomatic shorthand for alleged spying. The British Embassy has asked the Russian authorities to explain why Mr Shakespeare was yesterday stripped of his visa at Moscow airport and put on a flight to England after returning from a business trip from Alma-Ata, capital of Kazakhstan.

"We do not understand why this happened and we are asking the Russians to elucidate," a British embassy official said. Mr Shakespeare returned to Russia in 1992 to join Price Waterhouse, the international auditing and consulting firm. But for the past two months he has worked for Gorandal Trading, a joint-venture commercial security company. In 1989, while working as assistant military attaché at the British embassy, Mr Shakespeare was expelled together with 10 other Britons amid spying allegations. The move followed the expulsion of 11 Soviet diplomats and journalists working in London at the time.

John Thornhill, Moscow

Engine maker rethinks closure

Cummins, the US diesel engine manufacturer, has given in to strong pressure from the British government and agreed to a partial reprieve for its plant at Shotts in Scotland. The plant had been due to close by the end of the year as part of a worldwide rationalisation, with the loss of 700 jobs. Some 180 jobs will be preserved at the plant, declining to 60 over the next two years. But 500 people will still lose their jobs by midsummer.

Cummins will also investigate the possibility of setting up an independent machine shop business at its factory which could provide 80 jobs.

James Burton

Museum to get millennium cash

The British Museum in London is to get up to £20m (\$45.9m) from the Millennium Commission to renovate and provide a glass roof for the Great Court at the heart of the building.

The inner court was part of the original museum building and the provision of funds from the National Lottery will enable the area to be opened up to the public for the first time in 150 years. Ms Jennifer Page, chief executive of the Millennium Commission, said the glass roof by architect Sir Norman Foster would create an indoor piazza "where people would be able to enjoy themselves close to one of the world's greatest cultural resources".

The existing Reading Room at the museum will also be turned into an Information Centre and new galleries will be created to display the African collections. The Millennium Commission receives 20 per cent of the net proceeds of the National Lottery.

Raymond Snoddy, London

Small airline attacks BA

British Mediterranean Airways, a small independent carrier, has complained to the European Commission that British Airways has provided misleading information about flights on which the two airlines compete.

British Mediterranean, which flies to Beirut and Damascus, says BA's computer reservation system showed three weekly flights to these cities at the beginning of February. BA only flies to Beirut and Damascus twice a week.

BA said yesterday: "We are aware of the allegation but have checked the computer reservation system and can find no incorrect information relating to services to Damascus and Beirut."

Michael Shapinka, Aerospace Correspondent

Students dominate Internet

Number of users
Million
12
10
8
6
4
2
0
1993 '95 '97 '99

Non-academic users, forecasts to 2000
Source: Doncasters Multimedia

than 15 hours a month. With dial-up, usage could rise dramatically. While 23 per cent of new users reckoned it took them only a day to learn to use the system, 26 per cent said it took a month.

Alan Cane, Industrial Staff

Nuclear company to face heavy cost before privatisation

By David Lascalle, Resources Editor

British Energy, the company created for the privatisation of the nuclear power industry, will have to pay £1bn (\$1.53bn) to reprocess spent fuel inherited from past operations.

This marks a setback for the company, which is also locked in negotiations with the government over the amount of debt it should be made to carry on its balance sheet.

British Energy had been saying that it was unfair to burden it with the cost of spent fuel from the past. Normally, this fuel would already have been reprocessed and the cost paid by its predecessors, the state-owned Nuclear Electric and Scottish Nuclear.

However, the fuel is in store at British Nuclear Fuels' plant at Sellafield in north-west England because the necessary reprocessing capacity was created only with the completion of the Thorp plant last year. It could be several years before it is reprocessed.

Mr Tim Eggar, the energy minister, took the view that all the liabilities associated with the assets being placed in British Energy - eight nuclear power stations - should go into the company as well. According to those close to the talks, the issue is now closed.

The disputed liabilities account for about one eighth of the total £8bn liabilities with

which British Energy is expected to be launched into the private sector. The remaining liabilities cover the cost of reprocessing future spent fuel from the eight stations, and decommissioning these when they are shut down in the first part of the next century.

The other main issue between British Energy and the government - the level of debt on its balance sheet - is still far from resolution.

British Energy wants to keep its debt to a minimum, but the government, embarrassed by the easy profits made by past electricity privatisations, wants to gear up its balance sheet. Discussions are expected to continue for several weeks,

Mr Robert Hawley, the chief executive of British Energy, will unveil details of British Energy's track record on Monday. This will show, on a *pro forma* basis, how British Energy would have performed if it had been a private company for the past five years.

However, he is expected to duck questions about his company's balance sheet because of the failure to resolve the debt issue to buy the assets of the Thorp plant last year. It could be several years before it is reprocessed.

At present the Staffordshire mugs are being sold in Disney's 70 European stores as well as in some of its outlets in Japan, Australia, Hong Kong and Singapore. Disney may also decide to channel more mugs of this type to its retail outlets around the world.

One of the keys to the supply switch is Staffordshire's pioneering use of a new method of putting onto mugs the decals used to make complicated patterns.

Without this automated technique, the decals have to be applied by hand at the rate of

Breakthrough on applying decals helps pottery maker to win order

Disney shifts output from Asia

By Peter Marsh in London

Walt Disney has handed a lucrative contract for making promotional mugs to one of Britain's biggest pottery makers in a deal involving a switch of production from the Far East.

The contract is with Staffordshire Tableware of Stoke-on-Trent in the English Midlands. It is based around an innovative processing technology which is helping an important part of Britain's \$750m-a-year tableware industry move upmarket into higher-value designs.

The process, which speeds up the printing of complex patterns on mugs, is being commercialised by Service (Engineers), also of Stoke, a leading maker of pottery machinery.

Under the Disney deal, Staffordshire is the single European supplier of specific designs of mugs featuring Disney characters from films such as *101 Dalmatians*, *True Story* and *Pocahontas*.

The contract is worth about \$1.5m a year. However, the value could increase significantly if the US entertainment group decides to channel more mugs of this type to its retail outlets around the world.

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The US entertainment giant is now buying about 750,000 mugs a year from Staffordshire, whose total mug output of about 40m a year makes it one of Europe's biggest makers of such items. Until the UK deal last year, Disney was buying similar quantities of mugs for sale in Europe from Japan, China and Thailand.

One of the keys to the supply switch is Staffordshire's pioneering use of a new method of putting onto mugs the decals used to make complicated patterns.

Without this automated technique, the decals have to be applied by hand at the rate of

rubber rollers.

"It [the printing process] has the potential to transform mugs from purely utilitarian items to products using the very latest design techniques," said Mr Kevin Farrell, director of the British Ceramic Federation, the main trade body for the industry.

Service has sold 50 of its pattern transfer machines, 30 of them to pottery companies in the Stoke region. Other UK mug makers - whose total output is an estimated £70m a year - using the machines include John Tans, R. Kirkham and Churchill China, all based around Stoke.

Royal jeweller in Ferrari racing deal

By John Griffiths in London

Asprey, the 200-year-old jeweller to Britain's royal family, is accelerating towards expansion in north America and the Asia-Pacific region aboard Formula 1 world champion Michael Schumacher's Ferrari.

The venerable institution of London's New Bond Street was bought by Prince Jefri Bolkiah of Brunei late last year. It plans to set up a network of outlets, mostly in partnership with leading hotels, across the two regions as part of what is intended to be a new era for the company after several troubled years.

A sponsorship deal under which Ferrari's grand prix cars will compete in this year's world championship with Asprey's logo on their bodywork forms a principal part of the new strategy to internationalise the company.

In contrast to the blood-red colour and sound and fury of the cars, a discreet veil was being drawn yesterday over the precise workings of the sponsorship agreement and the value of the cash input to Ferrari, the aristocratic end of Italy's Fiat automotive group.

However, Mr Edward Asprey, a director and member

of the former owning family, said Asprey expected to have access to Ferrari's base of highly exclusive customers, who buy around 3,000 of the Italian sports cars every year at prices ranging from £90,000 (\$137,700) to £225,000.

Asprey will also develop a range of merchandise with Ferrari, Mr Asprey continued. But it will be much more exclusive than anything previously attempted in the motorising arena.

Asprey retains many jeweller craftsmen at its London headquarters and is preparing to engage Italian designers for the Ferrari merchandising venture.

One immediate objective is to craft exhaustively-detailed models of the grand prix cars themselves. Mr Ian Dahl, chief executive, hinted delicately that the prices might not match the cost of a grand prix car but could give a roadgoing Ferrari a run for its money.

Asprey will use this year's 16 grands prix - starting in Melbourne next weekend - as focal points to entertain existing customers and prospective new ones. Its owner is unlikely to be far away. Prince Jefri, younger brother of the Sultan of Brunei, is well known for his own life in the fast lane.

Mr Tony Blair, leader of the opposition Labour party, told business people in Cardiff yesterday of his commitment to a "modern partnership" between industry and government.

In the latest of his "business tour" meetings to reassure the business community about Labour's policies, he emphasised that a "stable low-inflation environment" was

necessary to enable companies to plan ahead. "We're not going to have a little boomlet that ends in a bust that damages business," he said.

Labour he said, would not try to stop the economic and technological change which was transforming the nature of work. "We cannot return to the form of job security we had before."

Students and academics with free access to the Internet courtesy of their institutions represent almost 70 per cent of the UK's Internet surfers, but they are set to decline as a proportion of the total. The number of non-academic users will grow exponentially as personal computers become common in the home and small office, and the Internet becomes available over cable and wireless networks. About 8 per cent of users connect to the Internet for more than 100 hours a month, 49 per cent for between 15 and 99 hours a month and 43 per cent for less than 15 hours a month.

Alan Cane, Industrial Staff

Wales wins \$350m high-tech plant

By Roland Adelburgh in Newport

A £230m (\$350m) semiconductor plant is to be opened in south Wales by QPL International Holdings, the Hong Kong-based electronics group. The facility, for its Welsh subsidiary Newport Wafer-Fab, is expected to create 768 jobs over the next five years.

The project, confirmed yesterday, will be sited next to

Newport Wafer-Fab's existing plant at Newport, which employs about 400 people. QPL acquired the former Immos factory three years ago from GSS-Thomson Microelectronics.

The new facility, producing eight-inch silicon wafers, is described by the company as the most advanced in Europe. It is the largest single investment in the Newport area since the construction of the Llanwern steelworks over 30 years ago. Further large investments could come with a possible future expansion, for which part of the site has been already earmarked.

Mr William Hague, chief minister for Wales in the British government, described the project as "a huge investment at the leading edge of technology". He said it was "a signal to the whole world that the UK in general, and Wales in particular, is an outstanding place to invest". The project is supported by a substantial financial package which includes a central grant of an undisclosed amount from the British government.

Both Mr Hague and Mr David Rowe-Beddoe, chairman of the Welsh Development Agency, were involved in negotiations in Hong Kong to secure the plant.

France and Ireland were also considered by QPL as locations. But Mr Steve Byars, chief executive of Newport Wafer-Fab, said: "The decision

is finalised and we are moving forward with the project."

COMPANIES AND FINANCE

Escom blames market for DM125m deficit

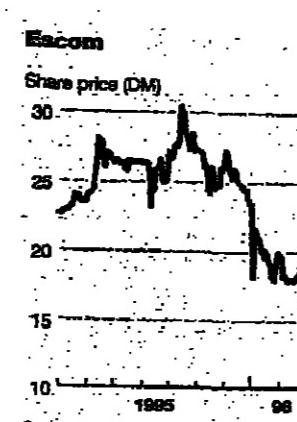
By Wolfgang Münchau
in Frankfurt and
Paul Taylor in London

Escom, the German computer maker and retailer, yesterday blamed falling personal computer sales, stock write-downs and price cuts for much higher than expected losses of about DM125m (\$85m) last year.

The troubled company, which is still majority-owned by its founder Mr Manfred Schmitt, also announced that shareholders and creditors had agreed to keep the company afloat with DM100m in new finance. Of this, DM60m would come in new capital and the rest in the form of extended credit lines.

Shares in Escom, which were suspended on Wednesday before yesterday's announcement, reopened yesterday down more than 25 per cent at DM1.95.

Escom blamed its poor performance on lower sales in Germany, price cuts, and the expansion costs, including the acquisition of more than 200 Rumbelows stores in Britain last year. "The lack of Christmas business, especially in the German market, had resulted in too-large stock levels," said



Escom, and the need for significant write-downs because of the drastic price falls for computer components".

Escom said its decision to build up its business lines of Commodore and Amiga products - cheap computers designed for home use - had also led to additional costs.

Escom's 1995 loss is almost three times the shortfall forecast by the company at the end of December, and the accompanying statement contrasted sharply with the optimism displayed only six months ago when it said it was profitable.

Yesterday the company

declined to divulge further financial details although it had already revealed that turnover last year was DM2.25bn, well short of a previous forecast of DM3.1bn.

The company's disappointing performance highlights the difficulties faced by low-tier brand manufacturers and retailers in the increasingly saturated German market.

Germany remains Europe's biggest PC market, with 1.6m machines sold in the final quarter last year, according to Dataquest, the market research firm. But in contrast with most European markets, which posted growth rates above 30 per cent in the 1993 final quarter, PC sales in Germany grew by only 7 per cent.

Dataquest figures show that Escom's market share in terms of units sold in the fourth quarter fell from 4 per cent in the 1994 period to 3.2 per cent last year, and it ranked as Europe's 10th largest PC seller, down from sixth a year earlier.

Among other German-based manufacturers Vobis, which sells under the Highscreen brand, saw its market share drop to 3.7 per cent while Siemens Nixdorf overtook Vobis with 4.5 per cent.

Wilson Bowden makes agreed bid for Trencherwood

By Andrew Taylor,
Construction Correspondent

Wilson Bowden yesterday furthered the consolidation of the housing market with an agreed £10.4m takeover of Trencherwood, the struggling housebuilder.

The total cost of the deal will rise to more than £23m including some £2m of net debt at Trencherwood at the end of October, when the Berkshire-based group showed net assets of £5.3m.

Trencherwood owns 771 housing plots with planning permission, but Wilson Bowden will also gain access to some 5,200 plots controlled under options in one of the most sought after housing regions in the country.

There is also more than £20m of tax losses at Trencherwood, of which Wilson Bowden will take advantage. It said its all-cash offer would be earnings enhancing in the first year.

The company has received acceptances representing 51 per cent of Trencherwood shares, including the more than 40 per cent held by the group's bankers.

Wilson Bowden is offering 8.87p for each ordinary share, and the same amount for each AF convertible preference share. Holders of AR convertible and B convertible preference shares will be offered 0.95p a share.

It is the latest in a series of purchases and asset swaps by UK housebuilders. These include Persimmon's acquisition last month of Trafalgar House's Ideal Homes offshoot

for £180m and the sale in December by Balfour Beatty Homes for £61m to Westbury.

George Wimpey, in the biggest deal of all, is swapping its construction and quarries businesses to acquire Tarmac's UK housebuilding division.

In the year to October 31 Trencherwood achieved pre-tax profits of £1.2m (£2.1m). Mr David Dugdale, chairman, said the company, in spite of its refinancing in February 1993, continued to be hindered by high borrowings while trading conditions remained difficult.

Wilson Bowden, regarded as one of the most successful companies in the sector, has warned that profits for the second half of last year would be down because of the downturn in the market.

Pre-tax profits in the first half rose by just 3 per cent to £1.7m (£1.6m).

COMMENT
Increasing difficulty in purchasing land and obtaining planning permission has persuaded Wilson Bowden to break with tradition and make an acquisition. In this case it is purchasing an attractive landbank when the housing market appears to be starting yet another recovery. Whether this momentum is maintained after Easter is another matter. But the Trencherwood business needs only to generate profits of about £2.5m to be earnings-neutral. Shareholders should have no qualms about supporting this strategic acquisition.

Granada creates hotels division

By David Blackwell

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Rod Mansfield leaves Lotus Cars after six-month tenure

By John Griffiths

The departure, announced yesterday, of Mr Rod Mansfield as managing director of Lotus Cars after only six months was "wholly amicable", the Northern-based company claimed.

However, Mr Mansfield, 61, the former chief of Ford's special vehicle operations who came out of retirement to take the post at Italian-owned Lotus, had earlier this week denied company statements that he was "on holiday". Yesterday Lotus said that Mr Mansfield, who was unavailable for comment, was "working out the notice of his consultancy and will ensure an orderly handover".

Lotus is owned by Bugatti International, a Luxembourg-registered company controlled by Mr Romano Artoli, the Italian sister company. Bugatti Automobili, was declared bankrupt late last year and Lotus's future has since been the subject of persistent speculation.

Lotus, which employs about 1,000 people at its Hethel headquarters, yesterday forecast turnover 22 per cent ahead at £55m for 1995, with retained profits of £5.8m against £2.4m.

It said that in line with its intention to become a "global leader" in vehicle engineering and performance car manufacturing, it was adding to its engineering facilities and installing additional research equipment.

The car manufacturing division was in a "strong" position, it said, with the new Lotus Elise small sports car - to be launched shortly - already having 1,000 orders. A new V8 engine is being launched at next week's Geneva motor show and the company is returning to international motor sport.

Mr Mansfield's role as managing director is to disappear. Two current directors, Mr Hugh Kemp and Mr Andrew Walmsley, are to take control of the engineering and car manufacturing businesses respectively.

ICI sells Grow offshoot

By Daniel Green

Imperial Chemical Industries is selling the household and consumer products business of its recently acquired Grow Group to US-based Sherwin-Williams for between £35m and £38m.

ICI bought Grow, the US paint maker, in May 1995 after it outbid Sherwin-Williams with a \$350m (£230m) offer. ICI said at the time it would be looking at possible disposals.

ICI followed up its capture of Grow with the \$30m acquisition in July 1995 of Fuller-O'Brien Paints, taking its share of the US paints market to about 15 per cent.

ICI established itself in the market in 1988 with the acquisition of Cleveland-based Gildan paints for \$55m.

In 1994, it introduced its Dulux brand into the US and increased its presence with the acquisition of California's Decatrend Paints.

Newcrest makes move on Normandy Mining

By Nikki Tait in Sydney

Normandy Mining, the Australian mining group headed by Mr Robert Champion de Crespigny, became a candidate for takeover yesterday when Minoro, the Luxembourg-quoted offshore operating arm of the Anglo-American Corporation of South Africa group, sold its 18.9 per cent stake

control of either Normandy or PosGold will not change unless all shareholders in each company are treated fairly".

It added that the benefits of the A\$83m merger had "if anything, been reinforced by this development", after the sharp increase in the Normandy and PosGold share prices.

Normandy shares leapt 25 cents after the Minoro sale, to close at A\$2.65, while PosGold closed 28 cents higher at A\$3.75. GMK gained 12 cents to A\$1.64, while North Flinders was 69 cents up at A\$0.99.

The raid by Newcrest, formed six years ago when BHP and Newmont Mining merged their Australian gold-mining operations, is the latest in a spate of deals and takeovers in the Australian mining sector. Two rival bidders are jostling for control of Gascoyne Gold Mines while Acacia Resources this week announced a hostile A\$87m offer for Solomon Pacific Resources.



Julian Ogilvie Thompson, chairman of Minoro, which sold stake

Mercedes picks Stuttgart for engine plant

By Wolfgang Münchau

Mercedes-Benz, the luxury car and truck maker, is to invest DM1bn (\$630m) in a plant in Stuttgart to build a new generation of engines for its mid-sized cars.

Yesterday's announcement comes at a time of intense debate about Germany's ability to attract new investment. It is a significant boost to the south-west of the country, which has been under increasing pressure to retain its formidable industrial base.

The announcement caught senior managers in the company by surprise. They had not planned to make an official statement for several months but the news came out by accident.

dent, when a Mercedes manager spoke at a local town council meeting in a discussion about infrastructure planning.

Mercedes said the Stuttgart location won against competition from other sites, but

Fokker, the beleaguered Dutch aircraft maker, won a two-week stay of execution from bankruptcy yesterday after the government extended crucial bridging credits for another 14 days, writes Ronald van der Krol in Amsterdam.

The extension of the F1 255m (\$155m) credit facility, which had been widely expected, will make it possible for Fokker to pursue negotiations with Samsung of South Korea or to attempt a solo relaunch in slimmed-down form with the help of Dutch financiers.

The credits, originally granted for a five-week period in late January, were due to expire on Monday. Fokker has used about F1 200m in

refused to identify these sites.

The company said it would next month start building a new factory in the Untertürkheim district of Stuttgart where Mercedes has its corporate headquarters.

The company had already decided to site the production of its new V6 and V8 engines as well as four, five and six-cylinder diesel engines. The factory is scheduled to be completed in late 1997, and will employ about 1,700 staff.

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INTERNATIONAL EXHIBITION CALENDAR FROM JANUARY TO JULY 1996

January

- 19-22 CHIBI '96 International exhibition of gift articles, fancy goods, perfume items, costume jewellery and smokers' supplies
- 19-22 CAKT '96 International exhibition of stationery, paper and cardboard products, articles for school and fine arts
- 24-28 34th SALONE DEL GIOCATTOLIO '96 International Toy Fair Luchetti, South Pavilion
- 28-30 MIAS INVERNIALE '96 International sportswear, sport and camping equipment exhibition

February

- 9-12 MACEF PRIMAVERA '96 International Exhibition of Tableware, Household and Gift Items - Silverware - Gold - Watches

- 23-25 MIFLOR '96 Floriculture, Plants and Gardening Accessories. International Exhibition Luchetti, South Pavilion

- 28 Feb. BIT '96 3 Mar. International Tourism Exchange

March

- 4-6 MODA IN International clothing, textiles and accessories exhibition Luchetti, South Pavilion
- 13-16 FLUIDYTRANS COMPOMAC 15th International biennial exhibition of Power Transmission Systems and Control and Engineering Design Equipment



April

- 14-17 69th MIPEL International leather goods market
- 18-22 SALONE INTERNAZIONALE DEL MOBILE International Furniture Show

- 18-22 EUROLUCE 18th International Biennial Lighting Technology Exhibition

May

- 27-31 30th MOSTRA CONVEGNO EXPOCOMFORT International exhibition and conference of Heating, Air-Conditioning, Refrigeration, Plumbing & Sanitary Installations, Bathroom Fittings
- 3-6 MIDO '96 International optics, optometry and ophthalmology exhibition
- 4-12 INTERNAZIONALE DELL'ANTIQUARIATO International Antiques Fair

June

- 4-6 ESMA International knitwear and clothing exhibition

- 6-9 Lift '96 2nd International exhibition for lifts, related components and accessories - technical press and services

- 7-10 CHIBIDUE '96 International exhibition of gift articles, fancy goods, perfume items, costume jewellery and smokers' supplies

- 12-14 BORTEC 8th International Cooperation, Development and Investment Exchange

- 1-2 MIAS ESTIVO '96 International sportswear, sport and camping equipment exhibition

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COMPANY NEWS: UK

Henlys poised to seek reclassification

By Motoko Rich

Henlys Group, the motor, bus and coach group, is considering the reclassification of its listing on the Stock Exchange and in the FT-SE Actuaries indices.

Currently listed as a distributor, it is seeking advice on a possible transfer to the engineering vehicles category.

Mr Robert Wood, chief executive, said: "In the second half of last year, following acquisitions, 67 per cent of our profits came from bus and coach manufacturing rather than distribution."

Pre-tax profits for 1995 rose 57 per cent, from £16.1m to £25.3m, on sales up 16 per cent at £251.6m. Strong growth in the bus and coach division offset weak new car sales.

Acquisitions contributed £5.7m to operating profits in Henlys's bus and coach division. Continuing businesses raised profits 69 per cent to £14.4m.

Operating margins in the division expanded from 10.7 per cent to 12.9 per cent. Production at the group's Plaxton factory in Scarborough now rises by 30 per cent.

Profits in the motor division

edged up to £7.54m (£6.96m), attributable to the group's acquisition of MCS Group, which operates 10 dealerships in south-east England.

New car sales started buoyantly, but tailed off. The difficult market was exacerbated by an over-supply of cars.

"There were a lot of vehicles being pushed into the market and there were not enough buyers around. We had to force prices down," said Mr Wood, echoing similar reports from Cowie, the motor and bus, finance and distribution group which reported weak new car sales earlier in the week.

The division made 100 of its 1,500 employees redundant in an effort to cut costs.

Earnings per share rose to 34.1p (£35p). A final dividend of 3p (3p) is recommended, giving a total of 12p.

The shares rose 16p to 58p.

• COMMENT

The weakness in the motor division was as expected, and can hardly be blamed on Henlys. Having recovered in 1994 after making losses in 1991 and 1992, the group appears to have got its strategy right. Its efficiency gains in the bus and coach division are impressive,

and there is more to come. In the motor business, the group has taken steps to cut costs and limit its exposure to the volume-driven market. Still, if the division continues to deliver flat results, the group may reconsider its investment. For the moment, its next challenge is to repeat its bus and coach performance outside the UK. On 1996 pre-tax profit forecasts of £23m, the shares are trading on a forward p/e of about 14, broadly level with the market. Whether or not the group switches sector, its shares may have a little more room for improvement.

Enviromed to sell Pro-Care

By Motoko Rich

Enviromed, the biotechnology and diagnostics company, yesterday said was selling Pro-Care, its dental equipment maker, to restore its balance sheet and guarantee the extension of bank facilities.

As it announced pre-tax losses of £2.3m – including exceptional charges of £5.9m – for the year to September 30, the group said it had accepted an offer to buy Pro-Care from VDC, the Aim-listed animal healthcare products company, for £3.6m cash.

In addition, VDC would pay up to £7.5m, including the value of Pro-Care's net assets. VDC will also assume the trade creditor, finance lease and other liabilities of the business.

Enviromed said the disposal was "fundamental to the future of the company in light of the group's indebtedness". The move is subject to shareholder approval at an extraordinary meeting on March 18. The group added that its bank facilities had been granted "on the basis that the disposal becomes unconditional".

The news came after the market closed, with the shares unchanged at 36p.

The proceeds of the sale will be used to pay off a £1.6m bank loan from National Westminster, reduce group borrowings and provide working capital.

Mr Tom Murphy, managing director, said: "We do not expect to have any trouble if the Pro-Care sale is approved."

The losses were struck on sales more than tripled to £27.5m. The bulk of the rise, however, was derived from the acquisitions of Pro-Care and Cambridge Veterinary Sciences, which was sold to Vetoquinol, the French group, last December.

Losses per share were 33.7p, compared with earnings of 43p.

Go-Ahead hits out at MMC

By Geoff Dyer

Go-Ahead Group, the Gateshead-based bus group, hit out yesterday at the Monopolies and Mergers Commission, describing parts of a recent report as "absolute nonsense".

Mr Martin Ballinger, chief executive, said that the recent MMC decision clearing its acquisition of OR Motor Services in County Durham contradicted an earlier report into bus services in the north east which had criticised Go-Ahead.

The group was negotiating with the Office of Fair Trading over undertakings it had been required to give after the first report, some of which he claimed were "illegal and laughable".

His comments came as Go-Ahead announced a 63 per cent increase in interim pre-tax profits to £6.65m (£4.1m). Turnover in the six months to December 30 was £67.6m (£48.7m), up 39 per cent.

The rise in profits resulted from improved performances in the north-east and in London, where the group runs the Central franchise. However, margins at the Oxford business fell.

Mr Ballinger said that passenger numbers, which had been declining for more than 20 years, were rising in areas such as Brighton where local authorities encouraged the use of buses.

Mr Ballinger said that Go-Ahead was now interested in looking at railway passenger franchises.

The interim dividend is 1.85p (1.8p) payable from earnings of 13.65p (12.03p).

The shares rose 12p to 305p.



Martin Ballinger: announced a 63 per cent rise in interim pre-tax profits to £6.65m

Tony Andrews

• COMMENT

Go-Ahead has been the tortoise of the quoted bus sector. It has been slower to make acquisitions and its margins pale beside Stagecoach's. But investors can take a good deal of comfort from its approach. Its strategy is less risky than its competitors and lower margins mean greater room for improvement from existing operations. Also management attention is now free to a takeover bid.

sider expansion, even if gearing of 213 per cent is high. But most attractive of all is the rating.

With analysts forecasting full-year pre-tax profits of £13.2m and earnings of 26.5p, the shares are at a 20 per cent discount to the market – not very generous for a company forecast to increase earnings by over 50 per cent this year and which faces an outside chance of a takeover bid.

Losses per share widened from 2.11p to 3.31p.

• COMMENT

The recent halving in the share price is being blamed on the equally dramatic dip in global chip prices. This will be little comfort for investors who paid 420p at flotation. Then the company, which had been in existence for just two and a half years and had no earnings, was capitalised at £25.4m. At yesterday's close, it had a market value of just £13.6m. While London may have lagged New York in reacting to the chip crisis, the scale of the fall in the shares raises questions over the company's valuation last September. It may also serve as a salutary warning should it be needed, for those investors who put their faith and money into high-tech start-up situations. That said, Memory is likely to move into the black this year. The profit, however, will depend on volatile chip prices which could wreak further havoc and make another nonsense of analysts' forecasts. One for the brave.

Memory shares fall on chip fears

By Christopher Price

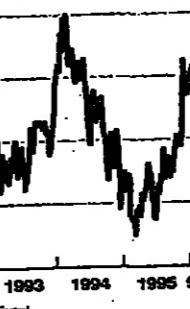
Shares in Memory Corporation fell 32 per cent yesterday, making a cumulative decline of 55 per cent in the past four days, as the semiconductor group reported its first set of results amid concerns over declining microchip prices.

The sharp price fall forced the company to bring forward its results by a month. The shares, which were placed at 420p when the company joined the Alternative Investment Market in September, closed 107p down yesterday at 229p.

Post-Christmas strength at MFI

MFI Furniture

Share price since flotation (pence)



Shares in MFI Furniture edged up 8p to 168p yesterday as the furniture retailer and manufacturer revealed signs of strong post-Christmas trading and promised benefits from softer raw material prices in 1996/97.

The company said sales had been some 5.5 per cent higher in the second half, due to particularly strong trading in the last 10 weeks.

Mr John Randall, managing director, said sales in the UK had, in general, been relatively dull before Christmas. However, during the winter sale – the company's most important trading period – it had shown a substantial improvement on the previous year. This resulted in an overall 2 per cent rise in UK sales in the second half, against a 1 per cent increase in average retail trading space.

Mr Randall also said raw material prices, which have increased by as much as 40 per cent in the last 18 months for products such as paper, were beginning to weaken. Contracts for raw materials were being signed at prices about 5 per cent lower. This, combined with a greater proportion of product being manufactured in-house, would benefit gross margins in 1996/97.

In France, MFI suffered from poor trading before Christmas, although it picked up substantially in January and February.

Mr Randall said that, following the success of the winter sale, MFI planned to roll out its modernised Homeworks format to all 185 outlets during the next two to three years at an annual cost of about £20m. Homeworks outperformed the rest of the chain by some 12 per cent during the sale. The investment would be funded from cash flow, he said.

Peggy Hollinger

Hickson plans S African sale

Hickson International, the speciality chemicals company, is poised to sell its South African businesses to a local consortium. It declined to reveal how much it would receive for the disposal, which should be completed later this month.

The businesses, which make specialty chemicals, timber preservation products and metal salts, generated sales of £15m last year on net assets of £7m.

Hickson announced its intentions to sell last November when it issued a profits warning. It has also sold Hickson Kerley, a US subsidiary, and is selling Hickson Specialities, a Milwaukee-based business.

The group has appointed Mr John Markham to an executive position on the board. Mr Markham joined the group at the time of the profits warning to run the main UK operations at Castleford in West Yorkshire. Shortly before joining Hickson, he resigned as a general manager at Albright & Wilson, the chemicals group.

Motoko Rich

GWR expands in New Zealand

GWR, the Swindon-based radio group, is buying Prospect, the New Zealand radio businesses formerly owned by the Independent Broadcasting Company, for up to NZ\$26.5m (£11.6m).

Prospect has 12 radio stations in Auckland and Hamilton and is an important supplier of services to the NZ radio industry.

In the year to June 30 1995 it reported pre-tax profits of NZ\$2.54m, after exceptional costs of NZ\$886,000, on sales of NZ\$281.5m at the period end.

The move is GWR's first expansion into the Asia Pacific region. It is expected to be earnings enhancing immediately and will be financed by bank facilities. There will be an initial payment of NZ\$25m adjusted in relation to consolidated funds of IBC Group.

Nigel Clark

Reliance Security FD quits

Mr John Toop, Reliance Security Group's finance director, has left the company. The security services concern said yesterday that he was leaving "of his own volition" to pursue previous business interests, and his departure implied no change in company strategy. He would receive "not a farthing" in severance. Mr Toop moved from Blue Arrow to become group finance director in 1989.

Mr James Macnamara, company secretary, has been appointed a director.

Reliance reported pre-tax profits of £1.78m (£1.49m) for the six months to November, on six-month turnover of £41.2m (£40.2m). The company is recovering from what it called a "dreadful" period that included a pre-tax loss of £32.8m for the year to April 1994.

Simon Kuper

Setback for Formscan

Formscan, the distributor of IT-related document production and capture peripherals and one of the original entrants to the AIM in June 1995, yesterday reported a 11 per cent downturn in first-half profits.

The shares, which had risen from 50p to 183p during the past year, retreated 22p to 158p yesterday.

Nevertheless, Mr Allan Harle, chairman, described the outcome – pre-tax profits for the six months to January 31 dipped from £577,017 to £511,845 – as "satisfactory" with strong levels of business in both its OCR and integrity divisions.

Capital & West to join AIM

Capital & Western Estates, a residential property company formed under the business expansion scheme, has been admitted to the AIM.

The company, which recently bought two properties in London for £15.1m, plans a further purchase after dealings begin probably on March 6. Part consideration for the further deal will be made by offering one share per 2.5p of the purchase price, representing a premium of 48 per cent over the net asset value of 1.69p a share.

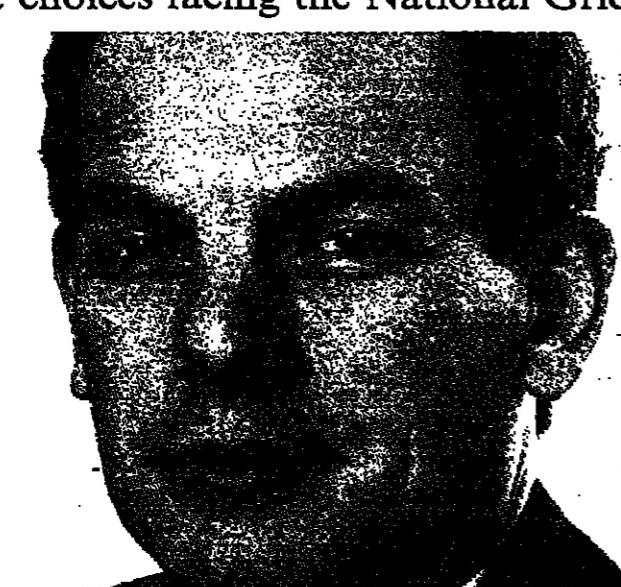
In Brief

BARCLAYS BANK: Mr Alastair Robinson is to retire as chairman on May 6 following the annual meeting after 37 years with the bank. He joined the board in 1980 and became chairman in May 1992. He was regarded as one of the old guard after the management changes in 1994.

JURYS HOTEL GROUP: plans to establish a 190-room Jurys Inn in central Belfast at a cost of £9.4m. It is intended to open in May 1997. Construction will be assisted by a grant from the Northern Ireland Tourist Board.

Walking a high wire at Energis

Alan Cane on the choices facing the National Grid's telecoms arm



Mike Grabiner: Energis is a well-kept secret in the market*

By Alan Cane

Energis, the telecommunications company owned by the National Grid, is likely to swap an alliance with an international partner within 12 months, according to Mr Mike Grabiner, its new managing director.

AT&T, the largest US operator, had an offer of £200m for a third of the business turned down in 1994. But Mr Grabiner says it is still a possible partner, adding: "The talks with AT&T never closed."

The creation of an international alliance is only one of a number of tactics he is pursuing as Energis moves to a critical stage of development.

The UK's third national carrier has been picking up a bad press of late. Last year there was the unexpected and seemingly acrimonious departure of managing director Mr David Dey, leaving Mr Gordon Owen, chairman, to soldier on in both roles.

There is the company's lack of visibility in the market and apparent lack of customers. And there are arguments that its stock-in-trade, the bulk transmission of telephone calls along its 35,000km of fibre optic cabling, has become a commodity business in a buyer's market.

Mr Grabiner, former director of international operations at British Telecommunications, admits he was initially concerned at the low profile. "Energis is quite a well-kept secret in the market," he says, firmly pointing out that for a year before the National Grid was floated, the company was strictly constrained in what it could do or say.

"I do not think that Energis has fully moved from an implementation project – it spent £545m in 18 months winding fibre round electricity cables – to a business."

"After eight weeks here, however, I can confirm that

the network genuinely combines low cost with high functionality, that there are significant products and that there are many more customers – 11,000 generating 2m calls a day – than I had thought."

The fundamentals of the business are outstanding. My role is to take the company much more aggressively to the market.

His strategy involves a combination of marketing and alliances. A sales director, Mr Bob Taylor, has been recruited from Unisys, the computer company. Mr Irene Fletcher, with Energis since the launch and formerly with Menzies Communications, is now responsible for marketing. The amount spent on advertising, probably less than £1m last year, will be increased substantially.

Mr Grabiner is anxious to move up the company's sales activities. The largest accounts – the BBC, Boots, Abbey Life and Hertz UK among them – are managed through a direct

sales force. These customers typically have Energis lines laid directly to their offices.

Mr Grabiner thinks that efficiencies can be found in third parties taking over the task of selling to smaller customers, those taking "indirect" services where the connection to the Energis network is made over BT lines. This typically involves putting a "black box" in the office or reprogramming a local switch. "A lot of this can be sold by

stmas it MFI

WEEK IN THE MARKETS Sharp fall in price of nickel

Investment funds decided to sell nickel this week and by Thursday morning the price for metal for delivery in three months on the London Metal Exchange had dropped by more than 8 per cent from Friday's close.

Traders said the sharp fall was caused by those investment funds that rely on technical indicators such as charts. The funds apparently were intent on driving the price down to between \$7,550 and \$7,600, but they did not succeed.

Nickel touched \$7,700 before a late rally on the LME, led by copper, took the price back up again.

Last night, three-month nickel closed at \$7,962.50 a tonne, up \$140 or 5 per cent down over the week.

Some analysts suggest other factors indicated that nickel prices should be lower, particularly the slowing of demand for stainless steel which accounts for two thirds of nickel consumption.

Mr. Viktor Bleiski, analyst at Bain & Company, suggested further weakness in the nickel price was likely unless it could bounce back above \$8,000 a tonne. This would require a significant increase in consumer interest and appears unlikely in the very near term. It is more likely to happen in the second quarter [of this year] as the stainless steel market gradually recovers."

Mr. Vladimir Kadannikov, Russia's first deputy prime minister, triggered a sharp fall in the price of palladium on Wednesday, when he was quoted by the Itar-Tass news agency as saying that the federation might sell precious metals and diamonds to cover an expected shortfall in its budget. Russia is 10,000 tonne tonnes short of its 32,000 tonne budget requirement.

Palladium's price in London fell by US\$3.50 a troy ounce to

\$136.50 but recovered when the market had second thoughts to end the week at \$138.

Russia accounts for 65 per cent of world production of palladium, used mainly in automotive anti-pollution catalysts, and the market was already nervous following the comments from Mr. Barry Davison, chairman of Anglo American Platinum Corporation.

On Monday Mr. Davison suggested that the market remained overshadowed by stockpiled Russian metal and "the fundamentals are not conducive to a short or medium term improvement in platinum group metal prices."

Gold struggled back above

LME WAREHOUSE STOCKS (As at Thursday's close) tonnes

Aluminum +2.75 to 680,225
Aluminum alloy +1.20 to 73,450
Copper +0.20 to 100,000
Lead -1.60 to 100,025
Nickel -78 to 38,622
Tin -1.50 to 630,560
Zinc -1.65 to 10,225

\$400 an ounce for a short time this week but, when it failed to race upwards there was some selling in New York by disappointed speculators and it closed in London last night at \$393.30, down \$2.20 on the day but unchanged from a week earlier.

Traders said there was heavy selling any time gold attempted to break above \$402. Analysts said the price was likely to range between \$395 and \$402 until options on the New York Commodity Exchange expired on March 8.

On the London Commodity Exchange coffee futures prices lost 4.6 per cent of their value on Monday as hedge funds unwound their positions in New York, pushing robusta futures down to \$1,872 a tonne. But over the course of the week, the market made up for those losses and bounced back to \$1,930 a tonne on Friday.

Coffee prices were weak with the LME's futures price testing contract lows several times during the week and closing on Friday down £10 at \$203 a tonne. The price weakness followed bearish crop reports from the Ivory Coast.

Deborah Hargreaves
Kenneth Gooding

Per tonne unless otherwise stated. p. Premium, c. Costs b. w. Avg.

BASE METALS

LONDON METAL EXCHANGE

(Prices from Amalgamated Metal Trading)

■ ALUMINUM 99.7% PURITY 6 tons per tonne

	Cash	3 mths
Close	1503.5-91.5	1524.2
Previous	1577-78	1589-90
High/low		1580/1513
AM Official	1588-90	1618-19.5
Kerb close		1630-31
Open Int.	207,505	
Total daily turnover	47,365	

■ ALUMINUM ALLOY 6 tons per tonne

	Cash	3 mths
Close	1360-5	1384-97
Previous	1350-50	1387-90
High/low		1385/1390
AM Official	1350-60	1386-95
Kerb close		1380-95
Open Int.	5,330	
Total daily turnover	907	

■ LEAD 6 tons per tonne

	Cash	3 mths
Close	767.5-8.5	764.6-5
Previous	772-73	767-69
High/low		768/770
AM Official	765-65.5	782-6-5
Kerb close		769-70
Open Int.	40,078	
Total daily turnover	12,800	

■ TIN 6 tons per tonne

	Cash	3 mths
Close	7865-65	7860-65
Previous	7715-25	7820-25
High/low		7800/7850
AM Official	785-65.5	782-6-5
Kerb close		785-65
Open Int.	7,115	
Total daily turnover	12,800	

■ ZINC special high grade 6 tons per tonne

	Cash	3 mths
Close	6110-20	6180-20
Previous	6080-20	6150-25
High/low		6205/6150
AM Official	6080-25	6150-25
Kerb close		6150-25
Open Int.	18,253	
Total daily turnover	6,115	

■ COPPER Grade A 6 tons per tonne

	Cash	3 mths
Close	569-72	572-72
Previous	565-70	570-70
High/low		570/572
AM Official	563-70	565-70
Kerb close		565-70
Open Int.	18,249	
Total daily turnover	6,985	

■ GOLD 6 tons per tonne

	Cash	3 mths
Close	1033.5-4.5	1032.5-4
Previous	1032-37	1057-58
High/low		1050/1051
AM Official	1035-38	1053-5-12
Kerb close		1057-5-68
Open Int.	76,687	
Total daily turnover	12,800	

■ COOPER Grade A 6 tons per tonne

	Cash	3 mths
Close	569-72	572-72
Previous	565-70	570-70
High/low		570/572
AM Official	563-70	565-70
Kerb close		565-70
Open Int.	18,249	
Total daily turnover	6,985	

■ LEAD 6 tons per tonne

	Cash	3 mths
Close	569-72	572-72
Previous	565-70	570-70
High/low		570/572
AM Official	563-70	565-70
Kerb close		565-70
Open Int.	18,249	
Total daily turnover	6,985	

■ HIGH GRADE COPPER (COMEX)

	Cash	3 mths
Close	1033.5-4.5	1032.5-4
Previous	1032-37	1057-58
High/low		1050/1051
AM Official	1035-38	1053-5-12
Kerb close		1057-5-68
Open Int.	76,687	
Total daily turnover	12,800	

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■ HIGH GRADE COPPER (COMEX)

	Cash	3 mths
Close	1033.5-4.5	1032.5-4

FINANCIAL TIMES

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Place your bets, please

Investors are more or less agreed that further UK interest rate cuts are in the pipeline – possibly next week. But that is where the consensus ends. As usual, where you stand on the medium-term outlook for the economy depends largely on where you sit.

If you are an investor in sterling futures, you believe that interest rates will fall over the next few months, but that this will be reversed by year end as demand stages a surprising comeback. The market is now predicting base rates of 6 per cent by the summer, down from their present 6½ per cent, but the same investors are expecting rates to be back at 6½ per cent by December.

Much of this story looks plausible. The February survey of UK purchasing managers, released yesterday, indicated that last year's slowdown in economic activity has continued into the new year. The survey found that the manufacturing sector contracted slightly last month, for the first time in more than three years.

In a sense, these figures merely confirmed what many had already concluded from the fourth-quarter figures for GDP. Growth in output during the first half of the year was always going to be heavily influenced by manufacturers' attempts to off-load excess inventories left over from last year.

Official data on inventory levels are somewhat unreliable, but stocks in manufacturing are thought to have risen by nearly 6 per cent over the past 18 months, compared to a rise in output of just 1 per cent. This suggests that producers' attempts to cut down on output so as to bring their stock ratios back into line are likely to depress overall economic growth for some months.

Underlying strength

Support for the second, more optimistic, stage of the market prediction comes from the underlying strength of consumer demand, particularly in the service sector, which was little affected by last year's pause in the growth rate.

Consumer spending has grown at a sprightly 3 per cent annual rate since the second quarter of 1995. Indeed, a pick-up in the growth of the broad measure of the money supply is already sounding some alarm bells at the Bank of England. The latest figures, showed M4 growing at an annualised rate of 13.4 per cent in the three months to January, up from 7.3 per cent in October.

Windfall gains from maturing tax-exempt savings accounts, building society reorganisations

COMMENT & ANALYSIS

Shadow over Mandela's smile

High unemployment and crime are among the many challenges still facing post-apartheid South Africa, says Roger Matthews

In three years or less Mr Nelson Mandela will step down as president of South Africa, and he has narrowed his agenda to a single item. "I will pass through this world but once, and I do not wish to divert my attention from my task, which is to unite the nation," he said last week.

Speaking to cheering students at the traditionally conservative Afrikaner University of Potchefstroom he went on: "I am writing my own testament because I am nearing my end. I want to be able to sleep till eternity with a broad smile on my face knowing that the youth, opinion-makers and everybody is stretching across the divide, trying to unite the nation."

Although Mr Mandela has already achieved far more than might have been expected when he became president in May 1994, unemployment, crime and the attempt to come to terms with the conflicts of the apartheid past will for a long time threaten to undermine his achievements.

Some of the ugliest incidents from that past will be resurrected on Monday when General Magnus Malan, the former defence minister, and 19 others, including former senior army officers, go on trial in Durban. They face a battery of charges including murder, attempted murder, and conspiracy to murder, linked to the killings of 13 people, and other actions allegedly carried out by a 200-strong paramilitary unit which operated between 1986 and 1989 in the province of KwaZulu-Natal.

Gen Malan, who describes himself as "a moderate, a liberal and a Christian" said after being charged: "What has happened here is the biggest crisis in South African democracy. It is now in its darkest hour." Other South Africans also believe they are passing through dark hours, including the white parents of children at a primary school in Potgietersrus, 150km from Pretoria, who have removed their offspring from the building rather than allow them to attend classes with blacks.

Mrs Karen du Plessis, who heads the white parent group, admitted their action was disruptive for the children. "But it is for the sake of Afrikaners for generations to come," she said. "If we do not take a stand, Afrikaans [the language] will be wiped out in two years."

Archbishop Desmond Tutu, who argues for reconciliation almost as vigorously as Mr Mandela, is also about to start delving into the past as head of the Truth Commission, which over the next two years will investigate the worst human rights abuses of the last three decades, and grant amnesties to those who confess all.

Companies may be hoping to consolidate their position – and jack up prices – when the economy picks up again, but they are not investing in large amounts to extra capacity to meet higher demand. This hesitancy to invest could make it more difficult to restrain inflation once growth resumes, and harder still to keep the current account deficit under control. Both, in turn, would call for a response from Mr Clarke, in the form of higher interest rates, before the year is up – but do not lay too much money on him responding.



Faces of South Africa: black and white pupils at Potgietersrus school a day after it was desegregated; General Magnus Malan, who goes on trial on Monday; and President Mandela poses with the national football team

gashly to contemplate." General Constand Viljoen, former army commander who heads the Freedom Front, the dominant Afrikaner political party, says he also believes in reconciliation, but thinks there should be a general amnesty covering abuses of the past, not a case-by-case examination. "I do not believe we will have reconciliation through the Truth Commission. Instead it will provoke retribution. It might even become a witch-hunt."

The best testament to Mr Mandela's skill in striking a balance between such strongly opposed attitudes is that they have become the exception. The overwhelming majority of schools, for example, have integrated. But as the euphoria generated by the relative smoothness of the transition from apartheid slowly evaporates, so more and more South Africans begin to understand the scale of the challenges ahead. There is a consen-

sus that the two primary issues are unemployment and crime. South Africa is a world leader in both. Unemployment is put officially at 4.7m, or 33 per cent of the workforce. A report issued on Thursday by the South Africa Foundation, which groups the biggest 50 companies and 10 multinationals, estimates that if the economy continues to grow at its present rate of just over 3 per cent, unemployment will rise to 6.7m by 2000, or 37.4 per cent of the workforce, and top 40 per cent four years later.

The report notes that two out of five South Africans, about 17m people, live in poverty. At present economic growth rates this number will increase steadily. "This state of affairs is morally repugnant and is a profoundly destabilising force in society," says the report. Just how destabilising was illustrated last month when gunmen opened fire on a crowd of over 2,000 queuing for

Hurlingham says 68 vehicles were hijacked there last year, but not one since access was limited to a single point controlled by armed guards. But such solutions only push crime into other areas, and are not available to the black majority, already the primary victims.

Opening parliament last month, Mr Mandela called for a "new patriotism" and a "national vision" to lift the country "from the quagmire of crime and unemployment". Ministers, party leaders, captains of industry, trade unionists, and radicals of all persuasions, applauded his words. There is also broad agreement on what the national targets should be.

Mr Thabo Mbeki, the deputy president and heir-apparent to Mr Mandela, said this week the government's aim was sustained annual growth of 6 per cent and the creation of 500,000 jobs a year by 2000. The main employers' organisations concur. What separates them is how these goals should be achieved.

The South Africa Foundation wants a rapid reduction in crime, swift easing of exchange controls, rapid privatisation, drastic cuts in the budget deficit, flexible labour markets, a reformed tax structure and a vigorous export drive. While praising the "wonderful job of reconciliation" done by Mr Mandela, it fears that in almost every sector the government is moving too slowly, or – in the case of the new Labour Relations Act which gives workers a bigger say in company policy – heading in the wrong direction.

Such is the respect accorded to Mr Mandela that chief executives will not speak out more forcefully against his government's policies. "He is such a fine man, and has done so much to reconcile this country, that you can't just come out and say he's wrong," says one chief executive. "But if you want to create jobs, you do not pass the sort of new labour legislation that we will have to work under." Similar reticence applies to the issue of exchange controls following the weakening of the rand. In public, chairmen and chief executives call for a swift easing in private for total, immediate abolition.

They argue that the African National Congress has perhaps 18 months in which to act decisively on a range of issues before the political pressures of the next general election in 1999 begin to intrude. But the ANC, and its communist and union allies, cover a broad political spectrum and remain committed to consultation and consensus-building. The risk, therefore, remains that the government, proud of its record so far, will not be hurried into more radical action until the need is even more apparent.

It is then, perhaps, that the gloves will come off in the economic debate. But at least the participants start with the knowledge that strong economic growth and millions of new jobs are essential for the long-term success of Mr Mandela's mission, and the breadth of his eternal smile.

LETTERS TO THE EDITOR

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We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5938 (please set fax to 'fine'). e-mail: letters.editor@ft.com Translation may be available for letters written in the main international languages.

Competitive trade-off that may run out of time

From Mr Iain Wyllie.

Sir, Ronald Dore's analysis of the western, particularly Anglo-Saxon, competitive model versus the Japanese one is timely (Letters, February 29). The totally open market concept avoids the need for an intelligent, responsible approach to acceptable social equity. Continental European countries developed their own, initially successful, post-war model, but this has now become cumbersomely bureaucratic and costly, limiting

their international competitiveness. Japan has a dilemma. Its aggressive international competitiveness has produced a western, particularly US, reaction aimed at changing its home market structure.

As anyone who has worked there knows, the Japanese domestic market is one of the most ruthlessly competitive in the world. However, it is constrained by balancing regulatory mechanisms and cultural factors that do not produce the lowest cost goods and services,

but maintain social cohesion, with visible benefits.

It is far from a perfect system, but involves a trade-off that a growing western public opinion seems to find preferable to the social extremes, coupled with alienation, found in the US, and increasingly in Europe.

The Japanese know that increasing "liberalisation" is likely to break the social consensus, but are under strong pressure to change if their trading relations are to be

Iain Wyllie,
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Filton Road,
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Herts SG5 2BB, UK

Priority must be given to skills

From Mr Bruce Lloyd.

Sir, Pamela Meadow's Personal View ("When growth fails the unemployed", February 27) provided some valuable arguments to help reduce unemployment but a fourth option is likely to be more effective all round. This option is to focus on the skill development (both competence and commitment) of those concerned. Unemployment rates are much greater among those individuals without skills than those with them, and this gap is likely to increase in the years ahead.

By providing support that ensures improved long-term employment prospects (ie, where the real added value is greater than the cost) there are not only real benefits for the individuals concerned but this is also benefits the existing work force, rather than adding potential costs reflected in the other options.

Bruce Lloyd,
strategic and international management,
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103 Borough Road,
London SE1 0AA, UK

Not deserving of such denigration

From Mr David Paul.

Sir, Why this constant denigration of our public services? No-one would guess from your leader on the Channel Tunnel link ("Slow crawl to the fast link", March 1) that British Rail InterCity has for more than 20 years operated Europe's most extensive high speed train services, becoming a model for other railway administrations.

Neither would anyone guess that, even today, InterCity services serve more towns with more frequency at higher average speeds than any other European railway system. So why the constant sniping?

David Paul,
5 Aldernary Road,
Bromley,
Kent, UK

A welcome for children in Paris

From Mr Peter Hammett.

Sir, Ms Katherine Rozei (Letters, February 29) and I apparently frequent different parts of Paris or maybe have different expectations. After the experience of "no children" in many English pubs, their ready acceptance in most French cafés and brasseries has always pleased me. Of course, if you choose restaurants with Michelin stars, the situation changes... but it is an awfully expensive way to feed children!

Everyone seems to have forgotten the key pleasures of McDonald's for young children:

- 1) They get to eat with their fingers without being told off.
- 2) They get a silly free present that they can break and/or lose without parental disapproval.

All this and chips to boot! What more can a five-year-old want?

Peter Hammett
2, Square Maurice Denis,
92190 Meudon, France

Danger of the IT 'power users'

From Mr Paul Offord.

Sir, I found Vanessa Houlder's article "The changing face of corporate IT" (February 26) very interesting. The rise of the "power user" is bringing with it some dangers. "Power users" have the knowledge to build systems, but that is only part of the story. A large portion of IT department work consists of mundane tasks driven by procedures. Failure to carry them out endangers the integrity of corporate data and hence will

The Financial Times plans to publish a Survey on

Insurance

on Wednesday, March 27

Timed to coincide with the Airmic conference, this survey will provide a global review of the world's insurance markets, including a feature on developments at Lloyds of London. We also plan to explore the dramatic effects that new technology will have on the marketplace.

To obtain a copy of the editorial synopsis and to discuss advertising, please contact:

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FT Surveys

Jardine

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For Henry and Simon Keswick, the struggle to expand the presence in the west of Jardine Matheson, Hong Kong's oldest trading group, has proved to be a troublesome experience.

Since the 1970s the two men have made a series of failed attempts to build a business empire outside Hong Kong to protect Jardine if things should go wrong when the UK colony reverts to Chinese sovereignty next year.

This week it emerged that they had been no more successful with their latest attempt - a £200m investment in Trafalgar House, the UK construction, engineering and shipping conglomerate. Jardine appears ready to take a loss of about £100m by selling its stake to Kvaerner, the Norwegian engineering and shipping group.

"It is a paradox," says Simon Murray, Deutsche Bank's group chief executive for the Asia-Pacific region. "They have moved from Hong Kong to reduce risks, but have ended up increasing them."

The investment in Trafalgar was small by Jardine's standards, but was to have been a launch pad for the group to expand in the UK. Simon Keswick was brought in as chairman, swiftly followed by Hong Kong Land's finance director, David Gavier, and then Nigel Rich, former Jardine Matheson managing director.

Men in the News · Henry and Simon Keswick

Taipans who missed the boat

Simon Davies and John Riddington on the brothers at the top of Jardine Matheson

However, the strategy quickly began to unravel when Trafalgar attempted to acquire Northern Electric, the UK utility, in a £1.1bn hostile bid launched in December 1994. The bid was prolonged when the electricity regulator decided to reopen the pricing controls for the industry and problems began at Trafalgar. These included difficulties at Cunard, the shipping line, and mounting losses in parts of its engineering division.

Since Jardine's property arm, Hongkong Land, first started building up its 26 per cent stake in October 1992, £1.22bn of Trafalgar's net assets have evaporated, through a proliferation of provisions, rationalisations and operating losses.

The decision whether to sell Trafalgar at loss will be made in Jardine's headquarters in the City, in surroundings more akin to an old-fashioned club than a corporate nerve-centre. In addition to Henry and Simon, the decision-making core includes Rodney Leach, the former Rothschild's banker, and Sir Charles Powell, foreign affairs adviser to Lady Thatcher.

when she was prime minister. Simon is the youngest son of Sir William Keswick, a former director of the Bank of England. A director of Jardine Matheson, he is the more sociable of the two, the man sent in to sort out businesses when they go wrong. It was Simon who returned to Hong Kong in 1982 to sort out the group after collapsing property prices and rising interest rates brought Hongkong Land close to collapse.

Henry, the eldest son and Jardine chairman, is described by insiders as the strategist who set the direction for the group. One former colleague says he is "like a 19th-century grandee" in the tradition of the taipans who headed the colony's family-controlled trading companies.

Born in Shanghai in 1933, Henry can remember the takeover of Jardine's Chinese businesses by the communists in 1949. It has clearly left a mark on him: giving evidence to a Commons committee in 1988, he referred to China's regime as "Marxist-Leninist, thuggish, oppressive".

Jardine was once the partner of choice for any large

project in the colony, with immaculate connections in Britain and expatriate Hong Kong. Its fingers were in most of the territory's more lucrative pies, from Hongkong Telecommunications to Hong Kong Electric to a diverse property portfolio. But for the past 25 years Henry's aim has been to reduce the group's exposure in the colony. This has accelerated in the lead-up to the Chinese takeover.

Under his guidance, its holdings there fell to only 30 per cent of its assets during the early 1970s. But acquisitions abroad proved unrewarding. In

the late 1980s, for example, Jardine acquired Kwik Save, the UK discount grocer, which has subsequently underperformed the UK market by 30 per cent, and Simago, the Spanish retailer which has turned in five years of losses.

In 1991, Jardine agreed to pay \$60m compensation to the shareholders of Bear Stearns, the US investment bank, after pulling out of buying a stake after the 1987 worldwide market crash. By 1994, Hong Kong still accounted for 56 per cent of the group's profits.

At the same time, the group pursued a policy described as getting a foreign passport, just in case things went wrong in Hong Kong after 1997. In 1984, it moved domicile to Bermuda, provoking a massive sell-off in the Hong Kong stock market. In January 1995 it delisted its shares in Hong Kong.

However, there has been a political cost to this. The Chinese authorities started harping back to Jardine's opium trading history, and accused Jardine of trying to undermine stability in Hong Kong.

When a Jardine-led consortium won the right to develop Hong Kong's ninth container terminal in late 1992, it was blocked by Beijing. By contrast, Citic Pacific, the Beijing-backed investment group, has built up a broad-based portfolio in the past five years, trading on its Chinese connections.

Recently, Jardine's operational managers have been more enthusiastic about China, and it operates a rapidly growing number of joint ventures in China. The group's directors have become frequent visitors to Beijing.

And Jardine recently sig-

nalled greater confidence in the territory by making its first bid in more than a decade for land at a government auction. The Keswick brothers have been wooing those who are likely to be power-brokers after the 1997 handover - they recently lunched with Mr Zhou Nan, China's quasi-ambassador to Hong Kong.

It seems to be paying off. Beijing seems likely to lift its veto on Jardine's investment in the port. And the company recently formed a consortium to develop and operate a river trade terminal with partners that include Mr Li Ka-shing's Hutchison Whampoa, and Cosco Pacific, the Hong Kong arm of China's largest shipping group.

It is perhaps fortunate for the Keswicks that they have never really had to account to their shareholders for the group's ups and downs. Henry is said to refer to Jardine as "my company", although the Keswick family controls only 10 per cent of the equity. And while Jardine has bounced on mismanaged businesses such as Trafalgar, its own management is protected by complex cross-shareholdings between group companies.

As one senior Hong Kong executive says: "If the Keswicks had been as skilful at running their businesses as they have been at protecting the family interests, Jardine would be one of the world's great companies."



Robert Corzine on the threat posed by the BP/Mobil merger

When garages fail to make the grade

Motorists who collect oil company stickers will need to get into gear if they are to complete their collections - because some famous names on Europe's forecourts may soon disappear.

This week British Petroleum and Mobil, the second largest US oil company, announced an ambitious merger of their refining, marketing and lubricants assets across Europe. The aim is to cut costs in businesses where profit margins have been shrinking steadily.

For the public the most noticeable result of the merger will be the disappearance of 3,600 Mobil service stations across Europe. Over the next two years most of them will be redecorated in BP's green and yellow livery at a cost of about £200m.

But for the European oil industry, the planned partnership is more than just a commercial alliance: it is an omen of even more radical restructuring to come.

"It can only speed up the inevitable shakeout," said one industry expert this week. And it is a shakeout that many in the industry believe could end in the disappearance of some famous names.

"We are seeing naked capitalism at work," says Mr Bruce Petter, head of the UK Petrol Retailers' Association, a trade group for independent petrol station owner/operators.

In recent weeks service station operators across the UK have seen their margins pared back to some of the lowest levels ever experienced by the industry. The reason is the Price Watch campaign launched by Esso, the European subsidiary of Exxon, the US oil giant, in which it promises to match the lowest prices around its stations.

"Nowhere in Europe have margins ever been as bad as in the UK," says one industry expert.

Some oil company executives, including Sir David Simon, BP chairman, believe Esso's campaign is no different from many previous price cutting exercises launched by various oil companies, including BP. But others are not so sure. Esso is "trying to force massive change on a scale never before experienced in western Europe," says one executive who monitors prices and trends across Europe.

The fact that BP and Mobil, two of the more efficient international oil companies, have joined forces is an indication that competition, which is already fierce, promises to get tougher. The partnership will create the second largest oil retailing company in Europe, with a 12 per cent share of the market. That places it just behind Royal Dutch Shell and ahead of Exxon.

Other companies in the industry which have survived for decades are now "thinking the unthinkable", according to Mr Petter, and considering withdrawal from the market. The reason is that the oil companies in Europe operate too

Gross retail margins
Motor brand price index, percentage
United States
1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994
Germany
1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994
France
1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994
Spain
1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994
Italy
1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994
UK
1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994

many refineries producing too much petrol for markets which are no longer expanding. New cars become more fuel efficient by the year, while the high taxes imposed by European governments encourage carmakers to make their new models even more fuel-efficient to operate.

The petrol surplus has reduced profit margins to the point where most service station operators now make most of their money from selling food and other household goods and ancillary services such as car washes.

However, supermarket chains such as Tesco, J Sainsbury, Asda and Safeway have also entered the petrol retailing market, drawn by plentiful supplies of cheap petrol available from oil company refineries. Attaching service stations offering cut-price petrol to new supermarkets has proved a good way of attracting customers to out-of-town sites.

Five years ago the 13 or so large oil companies operating in Britain shared 90 per cent of a growing market. Today they are fighting over 70 per cent of a stagnant one - and the supermarkets are still adding service stations to their chains. Meanwhile, petrol sales might even fall as a result of the government's plan to make sharp annual increases in excise duty on fuel.

"There are now just too many oil majors" for the new type of market, says one industry executive. He believes the solution is consolidation - with the handful of big companies which are committed to the retail market, such as Esso, Shell and BP, taking over their smaller competitors. "It's no good if a company from Saudi Arabia or Abu Dhabi comes into the market and buys a struggling chain," he says.

"There might only be three of four survivors among the oil majors," says Mr Petter. "Of the 68 different brand names now in the UK market, 58 could go."

Many independent corner petrol stations face an uncertain future as the value of their service station sites plummets. Mr Petter believes 4,000 of almost 16,000 service station sites could shut in the next few years.

It is thus not only the brand names that may disappear. In many rural areas, the local service station could soon be a thing of the past.

According to the Bureau of Alcohol, Tobacco and Firearms, 223m guns

have been manufactured in the US or imported since the turn of the century. While some may have found their way to the bottom of New York's East River or other popular disposal points, the bureau assumes that most are still in circulation.

On that basis, there is one gun for nearly every man, woman and child in the US. But a fairly consistent 50 per cent of households own no guns, with no desire to do so. The other 50 per cent are armed to the teeth, owning an average of 4.5 guns each.

Many of these guns are also comparatively new. In 1993, Congress passed the Brady Law, which imposed a five-day waiting period on handgun purchases. The following year it limited magazine capacity to a maximum of 10 rounds and banned 19 types of assault weapons. Ahead of those moves, there was a frenzy of buying as Americans rushed to beat the legislation: the number of guns made in the US jumped from 3m in 1992 to 5.1m in 1993.

"Are we at saturation point? It's certainly something the industry ponders," says Mr Paul Jannuzzo, vice-president and general counsel for the US arm of Glock, the Austrian gun manufacturer.

Mr Jannuzzo says gun manufacturers worry about the growing number of single-parent families "because grandpa or dad isn't taking the kid out into the field to teach him how to

shoot any more". Other concerns include a decline in the number of country dwellers, who tend to have more space for shooting, and growing curbs on the discharge of lead.

Even so, Mr Jannuzzo believes market saturation is still a long way off. Most people who own guns buy more than one, he says, an assertion supported by the statistics. So with an ever-growing variety of firearms on the market, there is no reason why people should not continue to buy more. "I've never been a big collector, but I've got 30," he says. "I consider them an investment."

The American Shooting Sports Council, an industry body, is also

optimistic about the sales outlook. Mr Jack Atkins, the council's director of operations, believes the present downturn is just a natural consequence of the rush of buying that took place in 1993 and 1994. Sales are beginning to show signs of recovery, he says - and ironically, the new gun control laws are helping stimulate demand.

"The 10-round limit on magazine capacity has created a new market niche for what they call sub-combat semi-automatics in larger calibres," Mr Atkins explains. "Prior to the 1994 controls, the most popular side-arm would be a 9mm with a 15, 16 or 17-round magazine. Now these are no longer made, people are stepping up to a more lethal calibre that packs a greater power. Instead of having 10 rounds of 9mm, you will have 10 rounds of .45 calibre or five to seven rounds of .357 Magnum, which is a very powerful round as well."

Yet the anti-gun lobby claims there are increasing signs of desperation in the industry's marketing. Mr Michael Beard, executive director of the Coalition to Stop Gun Violence, says recent advertisements have tried to convince people that they need at least three handguns: one for the bedside table, one to carry concealed on their person when out on the street, and one as a back-up in their car or home.

"It's like the shampoo manufacturers many years ago, when they started adding the word 'repeat' to the

end of the washing instructions and doubled their sales," Mr Beard says.

More controversially, the gun manufacturers have also been trying to market guns to women. Indeed, Smith & Wesson, a subsidiary of Tomkins, the British conglomerate, has introduced a range of revolvers under the LadySmith name, specifically designed for women's smaller hands.

"They have been trying to go after the single woman head-of-household to convince her that she needs a gun for home defence," says Mr Beard. "Of course, if they really were concerned about safety, the women's market they would be aiming for would be minority women with lower incomes. But these ads are aimed at upper-income suburbanites - the people least likely to face the problems they claim to be trying to solve."

Concern over this marketing ploy has reached a level where the Center to Prevent Handgun Violence, another anti-gun lobbying group, last week petitioned the Federal Trade Commission to ban advertisements suggesting that ownership of a gun made families safer. It said statistics showed that keeping a gun in the home greatly increased the risks of homicide and suicide.

The gun manufacturers, however, are unrepentant. As Glock's Mr Jannuzzo says: "There are more single mothers now than there ever were, and they are now the ones primarily responsible for home defence. It's probably one of the biggest open markets right now."

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Yet the anti

MARKETS REPORT

Dollar rallies

By Graham Bowley

The dollar rallied on the foreign exchanges yesterday after the Japanese Tankan report dampened speculation of an imminent rise in Japanese interest rates and data showed a large rise in the Bank of Japan's foreign exchange reserves.

The increase in reserves last month was the first official hint of the extent to which the Bank of Japan intervened to support the dollar in February.

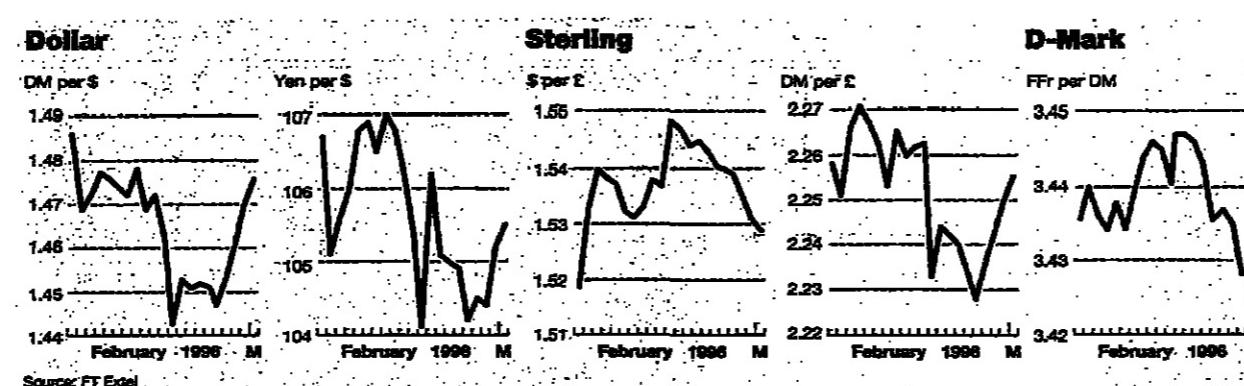
The dollar was also boosted by a strong rise in US government bonds on speculation that US interest rates might fall soon.

But the D-Mark weakened on growing expectations that German interest rates might be cut despite the Bundesbank's decision to leave rates on hold after its council meeting on Thursday.

The pound had a good day, pulled higher by the dollar. It

finished at DM2.2558 against the D-Mark from DM2.25 at the previous close. It closed weaker against the dollar at \$1.5284 from \$1.5309.

Expectation of further cuts in UK interest rates were raised after the UK purchasing managers' survey showed manufacturing conditions deteriorated last month. The December short sterling contract on Liffe rallied by 0.21 point to \$93.79 in late trading.



Source: FT Estat

L1 Pound in New York

Mar 1

Latest

Prev. close

Feb spot

1.5270

1.5310

1 min

1.5280

1.5270

3 min

1.5147

1.5144

1 y

1.5147

1.5144

1 y

Yen per \$

Mar 1

Latest

Prev. close

Feb spot

107.00

107.00

1 min

106.00

106.00

3 min

105.00

105.00

1 y

105.00

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مكتبة المجلات

Weekend FT

Patricia Walker on a little-known campaign by Mikhail Gorbachev that sought to stamp out the scourge of the former Soviet Union

Comrades who tried to dry out Mother Russia

The prime minister of Ireland was waiting on the tarmac at Shannon airport. The jet taxied to a standstill. The boarding ladders were ready; nothing happened. Officials shuffled their feet in embarrassment. But of their guest there was no sign. The Russian president, Boris Yeltsin, was, they were eventually told, "too tired" after such a long flight to descend from his aircraft. The visit - in September 1994 - was summarily cancelled.

Albert Reynolds accepted the explanation with typical courtesy but back in Russia, Alexander Rutskoi, the country's former vice-president, began to describe people as "being in a permanent state of visiting Ireland". Every Russian knows what it means.

In spite of concerted efforts by the state to curb alcohol abuse, Russians are still the world's heaviest drinkers.

Vodka was an escape from poverty under the tsarist regimes and from oppression under communism. It remains a huge obstacle to efficiency and economic progress, in spite of a heroic attempt by President Mikhail Gorbachev a decade ago to change the nation's habits. It was, by any standards, an extraordinary campaign, backed by the full might of the Soviet state and its propaganda machine. Although little was known about it in the west, the campaign's ambitions were comparable with those of the Prohibition in the US during the 1920s. And it ended, like the Prohibition, in wretched failure.

This strange and hitherto obscure chapter of Soviet history has been documented by Stephen White, of Glasgow

University's Department of Politics. His study, *Russia Goes Dry*, makes depressing reading for anyone who hopes that the law can control popular addictions.

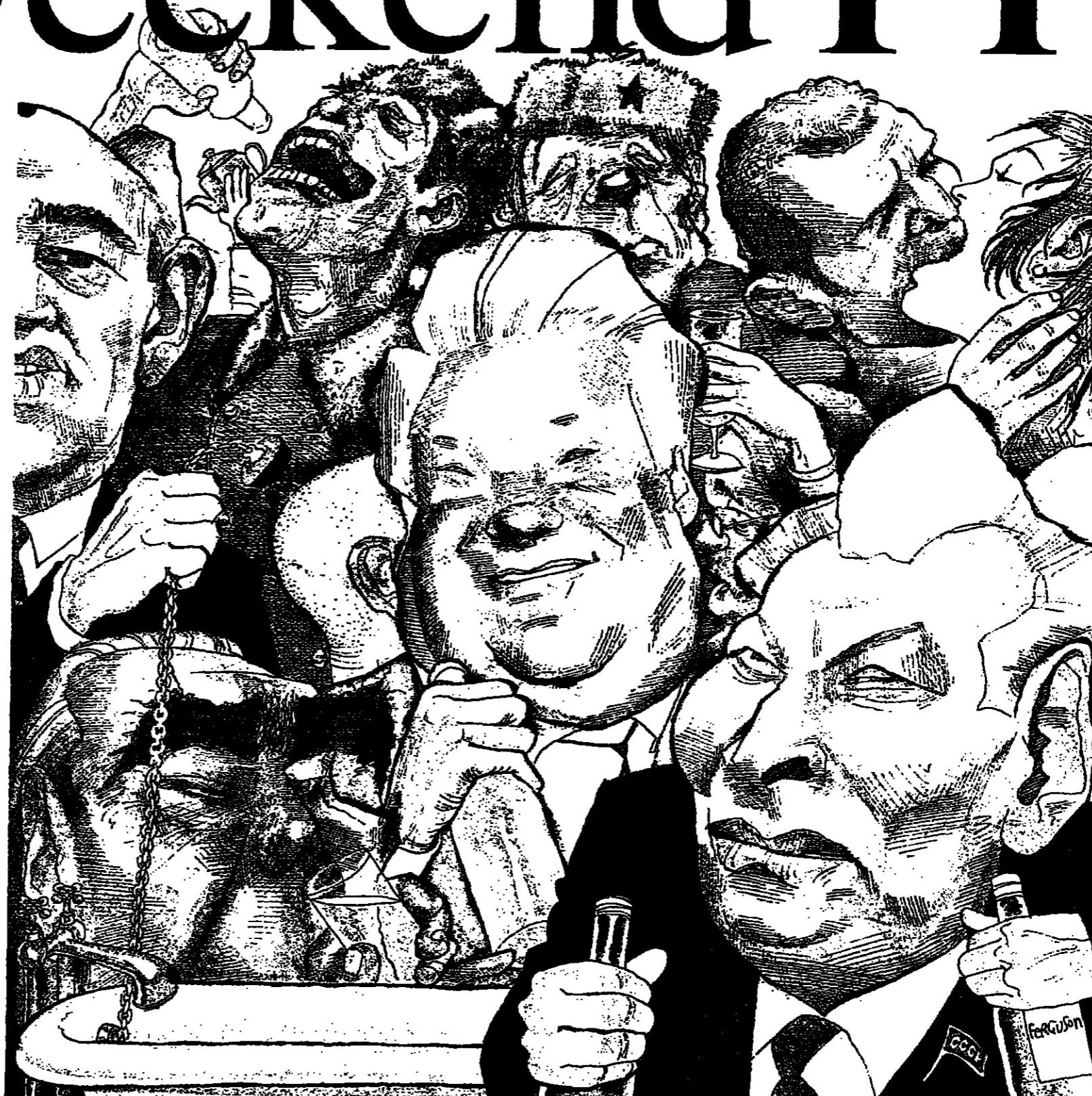
In the case of Russia's anti-alcohol drive, the reformers were battling against an ancient tradition. A thousand years ago, Grand Prince Vladimir advised his subjects: "Drinking is the joy of the Russes. We cannot do without it."

They heeded him so much that Russians are said to have embraced Christianity rather than Islam, partly because it allowed them to drink.

And 500 years later, the Venetian ambassador in Moscow observed that the Russians were "great drunkards and take a great pride in this, despising abstainers". Even in monastic communities, a 16th century English traveller found there were notorious drinkers. In the same century, girls of nine or 10 were made to drink so that they would dance at weddings, according to contemporary reports.

Eulogies to alcohol continued into the present century, the writer, Mayakovsky, advised his fellow countrymen: "It is better to die of vodka than of boredom." Later, when the government restricted vodka sales, Russians turned to anti-freeze, brake fluid, eau-de-Cologne and shoe polish.

Conscripts in the armed services, who were forbidden alcohol, were sent vodka through the post, concealed in toothpaste tubes or hot water bottles. The crew of a Soviet tank, lost on manoeuvres in Czechoslovakia, sold the vehicle to a local cafe owner for two crates of vodka; and the MiG-21 fighter bomber which needed 14 tons



of jet fuel and half a ton of alcohol for its braking system was commonly known in the Soviet air force as the "flying restaurant".

By the 1980s it was clear that unashamed public drunkenness was harming the nation's health and economy. Worst of all, Russia had drunken soldiers. Civilians and the military were prepared to risk lives to satisfy their addiction.

If Yeltsin did get drunk on the flight to Ireland, he was following a long tradition of inebriation among party bosses. Leonid Brezhnev, when he was general secretary, scandalised both the West and East German leaders Helmut Schmidt and Erich Honecker.

By insisting that they kept him company in drunkenness, glass for glass. Konstantin Chernenko was the only Soviet leader to rival Brezhnev's consumption. He died in 1985,

apparently of cirrhosis of the liver.

The people took example from their masters, revelling in stories of excess. A man bit an Alsatian dog that sprang on him after sniffing vodka on his breath. Another inebriated Muscovite was jailed for five years for climbing on to a dome of St Basil's Cathedral in Red Square. More prosaically, the former Communist party first secretary in Minsk was arrested for attempting to sell 500,000 bottles of vodka on the black market.

Consumption of absolute alcohol quadrupled in the four decades after the second world war, one in seven of the population was classified as alcoholic; heavy drinking was starting in schools; young women were taking to the bottle; and the numbers of babies born with mental and physical defects increased. Drink was

the main cause of divorce. Alcohol was also blamed for increases in traffic deaths, suicide and drowning, and rises in cirrhosis of the liver, venereal disease, difficulties in pregnancy, infertility and impotence.

All this had a devastating effect on a sick economy. In 1985 Izvestia reported that as many as 27m salaried workers had serious problems with alcohol. They were so drunk, or ill from drinking, that at least two days a week they did not show up for work. An investigation into 800 Moscow enterprises found that in the last hour of each shift, only 10 per cent of the workers were still at their posts.

Something had to be done. Gorbachev urged on his wife Raisa, whose brother's life had been ruined by alcohol - conceded that alcoholism was deeply rooted in Soviet society.

It could no longer be dismissed as a legacy of pre-revolution decadence. So he launched a two-pronged attack on alcoholism. First, he used the centralised powers of the state to make draconian cuts in production and sales of vodka. At the same time, he orchestrated a huge education and public awareness campaign.

After an encouraging start in 1985, when alcohol consumption seemed to be falling sharply, his plan to "save the genes of the Soviet people" faltered. By the early 1990s, consumption of hard liquor was back to normal. And it is greater today than before the campaign was launched. In

Russia, as in the US in the 1920s, the compulsion to drink overcame all official attempts to stop it.

The speakeasies, mobsters and jazz musicians which gave Prohibition in the US glamour were absent in Moscow. There, the anti-drink campaign was run by small-time bureaucrats: grey figures compared with gun-toting anti-heroes such as Al Capone and Mayer Lansky.

Moscow had no equivalent. Russian housewives jostled with moonshiners, queuing for hours in the cold for the trickle of vodka available from official outlets. Demand for

Continued on page II

Luxury Breaks at The Berkeley range from £110 per person sharing a room including breakfast. For further details call 0171-236 6000 or fax 0171-236 4111. For details of Luxury Breaks at The Berkeley's sister hotels, Claridge's and The Savoy in London, and The Lygon Arms in the Cotswolds, call 01882 8080. Members of The Association of British Hoteliers.



Joe Rogaly

Call for a superhero

Government needs miracle men. But where does it leave the poor voter?

Help, this is a case for Superman. Or Batman. Or Sherlock Holmes. Or anyone possessed of powers extraordinary enough to give hope that he - there are few heroes in the superhero business - can get the villains in charge off the hook.

A fortnight ago the magic name was Ron Dearing. He was called upon by Britain's education secretary and her Labour opposite number. They begged him to invent policies for higher education that they, the responsible politicians, were afraid to articulate. They can trust Sir Ron. He will crunch the universities. He has no elections to lose.

Every government needs a Ron Dearing or two. Most have them. Between the first and second world wars Walter Monckton rose to the top of the swing-to-the-rescue profession. His clients included the Nizam of Hyderabad and King Edward VIII. He was trusted by the main players in the abdication drama, although they were at odds with one another. In the 1950s, as minister of labour in Churchill's government, his brief was to preserve industrial peace. His methodology will be familiar to readers with pre-1979 memories. "On what terms did you settle the dispute?" "Theirs of course old boy."

You should expect nothing

less of any professional fixer. Fixers fix. That is what we know how to do. Harold Wilson put it best: "There is a time in the affairs of governments," he wrote in 1978, "when deadlock becomes total, and ordinary human agencies are impotent to deal with the situation; the superhero is invoked; and a telephone call is put through to Lord Goodman." This large legal gentleman was the late Labour prime minister's confidante. A miracle man.

He is one of a collection of so-called troubleshooters whose doings are described in a new book* by Trevor Smith and Alison Young. Professor Smith, vice-chancellor of the University of Ulster, has a long pedigree in political studies. Alison Young is a researcher. Their other designated firefighters are Oliver Franks, who reported critically on the Falklands but adduced a thimbleful of whitewash enough to save the government's skin; Edwin and Bridget Plowden, two selfless public servants; Michael Young, founder of the Consumer Association and much else; and Derek Rayner and Roy Griffiths, who introduced the principles of shopkeeping to British administration.

Call me picky, but the above good folks are or were not all fixers, at least not in the sense of devoting their lives to the

skill indicated by professor Smith and Ms Young. They wrap up their account with a discourse on the constitutional implications. Now I am a sucker for constitutional implications. It is very difficult to get me to think about anything else. If Emma Thompson telephoned me right now and suggested that I play James Bond to her Pussycat Galore in a remake of the ageing 007 movie I would wonder about the constitutional implications.

On this occasion I must demur. It is true that the arrival of a tribe of management consultants in Whitehall has changed the way things work.

We may also agree that lobbyists are a growth industry in London, although it has yet to approach the size of its counterpart in Washington. These intermediaries change the nature of the relationship between us poor ordinary voters and them who govern.

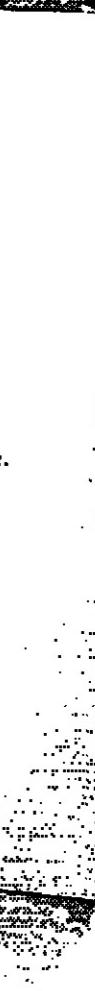
But consultants and lobbyists are a breed apart, separate from the Red Adairs who will always be needed. All governments have had them. They always will. Only Nero made the mistake of not calling in a firefighter. He should have remembered Sir Ron.

*The Fixers: Crisis Management in British Politics. Dartmouth, 210 pages, £27.50. Fax 01252 344405

desks, read late into the night and produced volumes of great-and-good advice.

All were in some sense outsiders. Unlike Lord Monckton, none was both an Anglican and an old Harrovian. The Lords Franks, Plowden and Goodman were respectively Congregationalist, Roman Catholic and Jew; none attended pukka establishment schools. Lord Young was born of an Irish mother and an Australian father and his mind was trained at Dartington in Totnes, Devon. Lord Rayner was the first managing director

Until 1972, guests could only find one fault with The Berkeley, it wasn't near enough to Knightsbridge. So we moved it.



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PERSPECTIVES

When the millennium comes, it will bring storms severe enough to disrupt electric power transmission, telecommunications networks and even radio broadcasts on a huge scale.

These storms will take place not on earth, but in space. The most visible sign to human eyes – even more visible if the lights are extinguished by power failures – will be spectacular and widespread displays of the auroras, the northern and southern lights, as the outer reaches of the earth's atmosphere are buffeted by high energy particles streaming outwards from the sun.

The weather in space, at least in the bit of space where we live, is dominated by the solar wind, a stream of energetic particles spilling outwards from the sun at thousands of miles an hour. About 60,000 km upwind of us the particles meet the magnetosphere, the part of space dominated by the earth's magnetic field.

The effect, according to Alan

Storms brew for the millennium

Solar winds which buffet the earth's atmosphere can have a powerful effect on the planet

Roger of the British Antarctic Survey, is "like a stone in a stream". The wind is diverted around the magnetosphere, compressing it on the upwind side of the earth and dragging it out on the downwind side into a huge tail hundreds of thousands of kilometres long.

The same process generates the auroras. Particles from the solar wind diverted around the earth by its magnetic field enter the upper atmosphere at high latitudes. The ionosphere, as the charged upper layers of the atmosphere are known, "acts like a TV screen for what's going on out there", says Roger.

As particles from the solar wind

strike oxygen atoms in the ionosphere, they emit light. The light is intensely coloured – most of it is either green or red – but it usually looks white to the human eye because we cannot distinguish the colours of very dim lights.

Unfortunately the solar wind does not blow steadily. "The surface of the sun looks like a pan of boiling toffee," says Roger. Every so often the toffee bubbles and belches out a cloud of high energy particles that race towards the earth at thousands of kilometres a second, a "coronal mass ejection".

Nobody knows exactly what causes a CME but the events are linked to the occurrence of sun-

spots, relatively cool patches of intensely magnetic material that appear on the surface of the sun. The frequency of CMEs waxes and wanes with the 11-year sunspot cycle. The next peak in sunspot activity will coincide with the millennium.

The sudden shower of particles in a CME wreaks havoc with satellites. "In a storm a satellite can lose power from its solar panels, and get glitches in its control signals," says Roger.

The charged particles cause stray electric currents in the satellite's electronic circuitry, which can be confused with command signals. In 1994 a storm caused a Canadian television satellite to turn its solar

panels away from the sun. The satellite's batteries drained and it lost power, drifting out of control until its solar panels came into the sunlight again six months later.

The sudden gusting in the solar wind causes huge electric currents in the upper atmosphere, according to Tudor Jones of the Radio & Space Plasma Physics Group at the University of Leicester. The "battery" that drives the atmospheric currents is set up by the movement of the charged magnetic particles in the solar wind around the upper magnetosphere.

The electric fields in the outer magnetosphere drive a current in the ionosphere – about 100km above the earth's surface – which

and do not interconnect. The drill is steered by a magnetic compass. During a storm the earth's magnetic field can change by enough to send the drill in the wrong direction.

Space weather forecasts are now available* from the Space Environment Center in Boulder, Colorado, but they are not yet very accurate, particularly in the long range. At present about 60 per cent of storm warnings are false alarms, and about 60 per cent of storms are missed.

To produce better forecasts scientists need more fundamental information about how the solar system works. It is hoped that new space missions, like the Polar satellite launched by Nasa last week, will provide the space weathermen with something more reliable than a piece of seaweed.

*Also on the internet at <http://www.sel.bldrdoc.gov>

■ The author is professor of psychology at the University of Nottingham.

Minding Your Own Business

Problems of design ownership

Jonathan Guthrie spotlights a small company in a big store wrangle

The clean curves of the Flexo, a brushed aluminium reading lamp, have made it a Spanish design classic.

It is so common and so timeless that set dressers used it in both the film *Barcelona*, set in 1930s Catalonia, and in Pedro Almodóvar's *The Flower of My Secret*, whose *mise en scène* is present-day Madrid.

The lamp is appearing in British homes, too, thanks to Jonathan Cahill, a 45-year-old former advertising executive.

But his venture shipping the Flexo to the UK and distributing it through design-led home furnishings shops has suffered a setback: he has become embroiled in a dispute over design copyright with Habitat in a disagreement that highlights the problems small entrepreneurs can run into over design ownership when dealing with big store chains.

It echoes a more highly publicised wrangle, in which clothes designer Liza Bruce has alleged that Marks and Spencer infringed her copyright on some swimwear designs – a claim which M&S says has no substance.

Cahill's first encounter with the Flexo was while he was staying with Spanish friends in Majorca in 1993. "I saw the lamp in a little shop," he says. "I thought it was rather attractive and was also surprised by how competitively priced it was."

"I mentioned this to my friends but they dismissed it with scorn, because the Flexo is such an everyday item to Spaniards."

A year later, Cahill, who is part-Italian, part-Polish and has a passion for all things Spanish, encountered the lamp in another shop, this time while travelling in Andalucia. He bought one as a sample and began to think seriously about trying to import it to Britain.

He had the advantage of considerable marketing experience in what was to turn out to be a sales-led exercise – trying to persuade the right sort of shops to stock his product. He worked for 17 years for advertising agencies including Saatchi & Saatchi, and Davidson Pearce.

What he lacked was practical experience of electrical wholesaling. Having found a Barcelona-based manufacturer prepared to supply him at reasonable cost, he discovered that the Flexo failed British safety standards.

It cost Cahill almost a year of delays and £1,000 in laboratory testing fees before the lamp was suitable for the UK market. Luckily the testing house that gave the Flexo the initial thumbs-down was an invaluable source of advice on modifying it. The entrepreneur took the changes back to his contacts in Spain, who agreed to supply him with units made to the changed specification.

By autumn of 1994 the British version of the Flexo was ready to be marketed. The biggest outlay turned out to be on the stock itself. The smallest order the manufacturer will accept is £3,000. Cahill reckons that Z – the company registration he took over from his wife Dina, a self-employed advertising consultant – has around £10,000 tied up in stock at any one time.

Cahill finances this outlay, and all Z's other expenses, from turnover, his savings and an £8,500 overdraft facility from Lloyds bank.

Cahill found distributors for the lamp by driving around the country with a boot full of samples. He would stop at likely-looking shops where he would convince the manager to buy a few Flexos. When the lamps sold, these initial contacts led to regular orders.

Z has more than 60 outlets around the UK. "My whole strategy – with the exception of Habitat – has been to avoid chains and target individual shops with strong profiles," Cahill explains.

The first shop I started with was the Conran Shop. Then I sold to other outlets in London like Purves & Purves and American Retro."

The Flexo's history as a design classic made it easier for it to win shelf space in fashionable outlets – if dates from 1925 and the Design Museum in the UK. Cahill rejected the offer.

In February last year Habitat

contacted Z again. This time it contacted Z again. This time it offered the company a better price, as well as dropping its demand for exclusiveness. A deal was struck.

The relationship went well until October, when Habitat cut the retail price of the lamp to £15 from £20. A month later Habitat's price tumbled to £10 a unit, just as Z stopped supplying the chain and launched a £2,500 advertising campaign for the Flexo on London buses.

In the same month the outlet began to offer lamps it initially called the Flexo, but with a red or yellow painted finish, rather than the original brushed aluminium. By December it began stocking a brushed aluminium version of the product too. It called this the Felix after a letter of complaint from Z's solicitor. Habitat eventually gave the painted lamps the same name.

He concluded that the appearance of the market of lamps very similar to his product, but at half the price, has damaged his business: some distributors including the Conran Shop temporarily removed the Flexo from their shelves. Sales have dropped, Cahill claims.

He now plans to fight Habitat in the courts. A complicating factor may be that the Flexo is a generic product in Spain, which anyone can manufacture and sell there.

Matthew Griffiths, media relations manager at Habitat, comments: "We appreciate the difficulties faced by small businesses. However we question the validity of Mr Cahill's design registration. Habitat stopped using Mr Cahill's logo and the Flexo name when we were told it was copyrighted in the UK."

"By sourcing the light direct from a Spanish manufacturer rather than through Mr Cahill

as a supplier, Habitat has managed to halve the retail price."

In spite of the row Cahill does not regret quitting the advertising industry to set up his own business. He admits it can be stressful: "The work itself isn't so bad. The difficult thing is the tension around it. You don't know whether your product will sell and if it does, how quickly. It's just you against the market."

Unashamed, he is pressing ahead with plans to import gourmet Spanish foods. Z has already struck a deal to supply caviar berries – a snack food discovered in a Majorcan market – to Harvey Nichols.

He concludes: "It is very much a day-to-day existence. But I like it – it allows me to spend a lot more time at home than I would otherwise be able to. I've got a little son, Laith, who is just two, and it's nice to be around him now."

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PERSPECTIVES

Lunch with the FT Sharing a giggle with Lisa Leeson

Lucy Kellaway meets the wife of the man who broke the bank

I doubt if Lisa Leeson was much looking forward to our lunch engagement. In her diary for February and March there are 86 dates with journalists, each one a fresh opportunity to be asked how on earth she failed to notice that her husband was bringing down Barings Bank.

She is putting herself through this ordeal in order to market Nick Leeson's version of events, *Rogue Trader*. It is not a volume she cares for particularly, but his lawyers have to be paid, and she is doing her duty with remarkably good grace.

There she was, 10 minutes early for our lunch at Ajilima in Covent Garden, killing time in a nearby Japanese shop. Also early, I was doing the same. "Lisa?" I said, accosting a pretty blond woman in a fur hat and smart brown coat.

She gives me a nice smile; she looks carefree, relaxed. If a stranger had to guess which one of us had a husband in Changi prison, they would certainly not have thought it was her.

"The questions people have asked me!" she exclaims in broad estuary English as we sit down at our table. "One girl said to me: so how do you feel about not having sex? You have to be quite thick skinned doing this. I try to be enthusiastic all the time. I smile."

That must be hard work, I say. She shrugs. "I'm just a go-with-the-flow person. I don't argue. If someone says: we're going to do the Crown pub. I'm like, fine. I don't say: I don't like the Crown."

Can she stop smiling once she is back at home with her mum and dad, I ask?

"We are positive thinking people. I'm usually fine at home. Sometimes I get a bit tearful," she gives a stage boo hoo, followed by a hearty laugh.

She casts a professional eye over the menu and orders green tea and the set sashimi lunch. I order the same. "Working in a tea shop you get sick to death of eating sandwiches," she says pleasantly. Usually she has toasted ham, mustard and tomato; she can't have dairy products because of her eczema. She rolls up a sleeve to show me a red mark.

"When it happened," she says, bringing up the subject herself as I had still not mentioned it. "I was covered in eczema." That is strange: according to *Rogue Trader*, she showed no signs of stress. When she found out what her beloved husband had been up to, she was calm, phoned her mum and had a laugh with her over the phone.

Surely it wasn't really like that, I say.

"See, when people ask me questions about it, to tell you the truth, I can't really remember," she says. "So much was going on. It was like a whirlwind. We didn't eat. We didn't sleep. We didn't talk."

The thing that annoyed me about Nick was the way he was always switching channels," she goes on. In her place, the thing that would have got to me was the way he was always losing millions and neglecting to mention it to his wife.

Now that the old gasworks at Greenwich on the south bank of the River Thames in London has been chosen to host the Millennium Exhibition, it is high time to resolve the other important issue about Greenwich. What is to happen to the Royal Naval College, the grandest set of baroque/classical buildings in Britain and an icon of the country's naval history?

The trustees of the National Maritime Museum have proposed that the government entrust the RNC buildings to a new Royal Greenwich Trust. Will it? The decision will last longer than the two years term of the exhibition, although that and the opening of the Jubilee Line extension will give a huge lead, it is hoped, lasting boost to the local economy.

Since the millennium starts at Greenwich, it makes sense to hold the exhibition there. The 1884 Treaty of Washington setting up the world time zones chose it as the prime meridian (GMT). Each new day starts at Greenwich at midnight. But what an ironic event the festivities planned on the meridian line at the Old Royal Observatory on the evening of December 31 1999 and early hours of January 1 2000 will be if there is no future for the RNC buildings to match their contribution to the past.

The decision belongs to

sickly profession of her husband's love.

"Do you think so?" she looks doubtful. "I read the book and feel negative about all the bits about me. What I really hate is that people know about me."

We start to discuss her life now, which sounds uproarious. Her mum and dad are "a good laugh", as are her mates in Maidstone. She even cracks jokes with her husband during the 20 minutes a month she gets to see him though a plate of glass. And after these visits, the girls in Singapore throw a party for her and they all have "a good giggle".

With no self pity she tells me that the only thing she has to show for her married life is a lock of Nick's

One of the myths that seems to bother Lisa Leeson most is that she and Nick led a glamorous life

hair - the liquidators have everything else. She takes a crumpled piece of peach loo paper out of her handbag, and I inspect the single curly hair in silence. "I picked it off his T-shirt in Frankfurt. Nick can't spare more than one." More laughter.

As she deftly dips a bit of raw fish into the soy sauce, I ask about Stephen Fay's rival book about the Barings collapse, which presents Nick Leeson as more rogue than trader. "I'd rather not read it," she says, and a vacant look comes over her eyes as I spell out the allegations. It cannot be easy for her defending him. After all, she has never even had a real discussion with him about what happened.

Suddenly she announces that she would like some green tea ice cream. "It tastes just like a cuppa tea!" she explains. Unfortunately they do not have it; instead we are each presented with half an orange.

Curiously, one of the myths seems to bother Lisa Leeson most is that she and Nick led a glamorous life in Singapore. With pride she describes the mundane monotony of their evenings together: "He came home from work. I'd say: Hi honey, how's your day? He'd say: fine. He'd have a shower and lie on the sofa, have a packet of crisps and a cup of tea and wait for me to dish up dinner. And the rest of the night Nick's lying there watching a Chinese film with Malaysian subtitles and I'm reading a book."

The thing that annoyed me about Nick was the way he was always switching channels," she goes on. In her place, the thing that would have got to me was the way he was always losing millions and neglecting to mention it to his wife.



Lisa Leeson: "I'm usually fine at home. Sometimes I get a bit tearful"

Trevor Humphries

But of course I don't say that. Instead I suggest that maybe she has not yet come to terms with what has happened to her.

"It hasn't really sunk in - I've just been carried along on the wave. All I want now is a full-time job so I don't sit around thinking about it."

I ask about her application to be an air stewardess with Virgin Air-

ways. "If I get the job, I want the other girls to know me for me. Not for Lisa Leeson."

Either way, she would make a terrific stewardess. She has the looks, the smile, and keeps her head in a crisis. She can hand out scones and cups of tea, and she loves travel. If I were Richard Branson, I would hire her on the spot.

I settle our modest bill and ask her what she made of the meal. "It was OK. I liked the salad, but the fish wasn't very tender." That was putting it mildly. I say that some of my raw fish tasted aged. She laughs: "I'll call you tomorrow and ask if you are in the same state as me?" We have a giggle. She thanks me, and I wish her luck.

rate events, and the RGT lease

partly due to the interweaving of a number of related but actually distinct strands of morally questionable actions.

The primary issue is not about the deception of parliament and the public. Of course no rational and impartial person can fail to agree with Scott that such deception did take place whether "duplicious" or not is of minor semantic moment when such large issues are at stake.

Commentators are quite right to say that such deception and contempt for truth undermines the democratic state. That is serious enough.

But the question behind it is a wider one about the integrity of those who claim reasons of state for actions which were manifestly incompatible with the standards of morality and decency to which most British people still hang grimly to in the face of the eroding winds of cynicism and hypocrisy.

The British people have a deep unease about the dependence of so much of our economy on the arms trade

is personal integrity so dispersed in the corporate miasma of expediency that no one need feel a qualm anywhere along the long chain of policy decisions which resulted in a cluster of outcomes which most people find abhorrent.

It is manifestly clear that ministers and civil servants knew that the public would not stand for the rearming of an odious dictator who had been systematically gassing Kurdish villagers.

It is equally clear that the British people have a deep unease about the dependence of so much of our economy on the arms trade.

It is clear that some people were prepared to see innocent men convicted. Reasons of state can only be justified retrospectively when the secrets are out and the public perhaps reluctantly agree with the decisions made in their name. In this case they do not agree.

But the personal question that haunts me is what do individuals really feel when they look down the line to the human cost of seemingly expedient decisions, political or economic, to which they have been party?

The tobacco trade kills directly or indirectly 25,000 of our friends and neighbours each year. What does it feel like to contemplate the human outcome of one's daily work making cigarettes? Or landmines?

"What's your job, Daddy? What do you do all day?"

"Well, son, what I actually do is make little gadgets to blow the legs off little boys just like you."

"Oh, do you, Daddy? How clever of you."

■ Hugh Dickinson is Dean of Salisbury.

Truth of the Matter Conscience: a luxury we cannot afford

Hugh Dickinson believes the Scott report raises issues of responsibility related to the bombing of Nagasaki

It rumbled out of a bright morning sky like a huge ball bearing. No one saw it. Some may have heard the drone of the aircraft up near the stratosphere from which it had been released.

The men in the aircraft could not see it either, but they were close enough to count the seconds. Then, instantly, thousands of children were incinerated, their mothers vapourised, their aunts and uncles turned to ash on the searing wind.

They were lucky. Others further out were felled alive and stayed alive for days, weeks, months in agony. Others died by inches over decades.

They called it Fat Boy. Comfy name that. A bit of a joke.

Distancing. The aircraft crew sped into the distance, too comfortably warm up there in their silver tube, slipping across a serene sky. Calm and guiltless in their distance from the firestorm they had caused.

But were they responsible for those 100,000 deaths in Nagasaki? Surely not.

Responsibility creeps remorselessly back up the chain of command. The senior officers who gave the orders, the scientists who devised the dreadful weapon, the politicians and strategists who mobilised the resources to produce it - don't they bear a greater burden of responsibility?

The president of the US had a little notice on his desk: "THE BUCK STOPS HERE". But it doesn't really. The people had elected him to carry and to represent the will of the whole nation. He did it for them. They were too dispersed and too distant to own their action. So no one owns it.

The further we are from the physical and personal impact of our action or the human effects of our decision, the less moral responsibility we feel.

The longer the chain of command the more moral responsibility gets dispersed and reduced.

A special technical jargon is devised to sanitise the human cost with its grief. All those moral agents down the line passed the impersonal decision along because the system has its reasons alongside which individual and personal integrity seems an irrelevant luxury - or worse, a kind of treachery as Oppenheimer discovered to his cost.

Then the point comes where the system may be guilty of an appalling crime against humanity but no individual feels obliged to own the consequences of his actions.

Only one did. One of the men in the aircraft which dropped the atom bomb on Nagasaki committed suicide when he saw the photos.

If the whole chain of command had been forced to stand and watch the children dying would they at least have wished they had not done it?

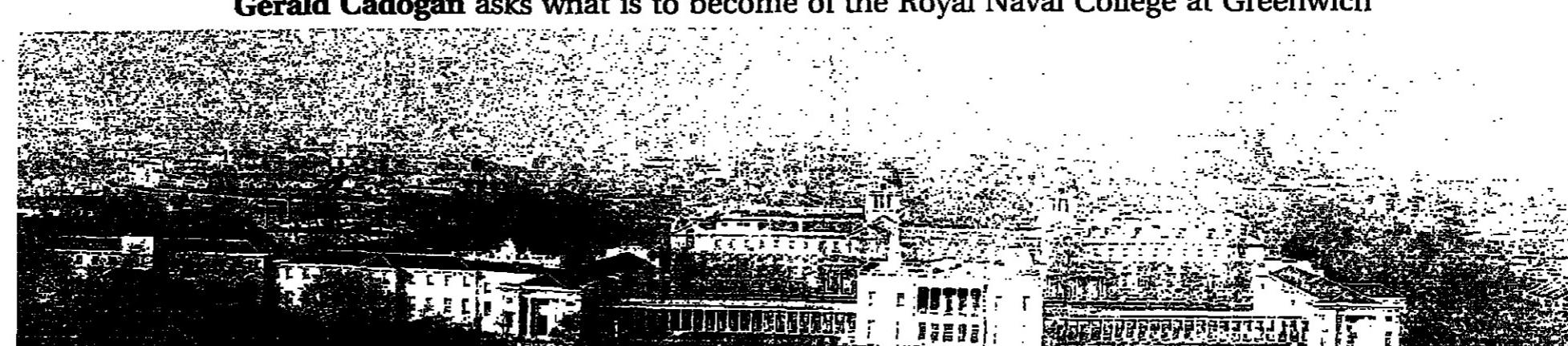
Or must we surrender our conscience to the state - which has its own cruel reasons but offers to purge our consciences for us with public immunity certificates?

The analogy may seem a bit extreme in the backwash from the Scott inquiry, but extreme cases often bring out underlying principles with greater clarity.

The obfuscations around the responses of politicians to Scott's report are partly deliberate, but

Versailles on the Thames

Gerald Cadogan asks what is to become of the Royal Naval College at Greenwich



The National Maritime Museum (left), Queen's House (front centre) and the Royal Naval College, Greenwich

Michael Portillo as defence secretary. After the public furore at his proposal last September to sell the RNC, he has enrolled an advisory committee under Lord Faringdon. Other members include Dame Jennifer Jenkins, Lord Rothschild and Sir Jocelyn Stevens.

Sir Christopher Wren

planned the Greenwich buildings on an axis that runs from the river through the Queen's House (by Inigo Jones) and up the hill of Greenwich Park. They unite monarchy - since Greenwich was a royal palace

- with British maritime tradition in a piece of architectural heritage that rivals Versailles. Not surprisingly, Greenwich is a candidate for World Heritage status.

A decision is needed now.

Time is short. In 18 months the RNC will be gone, on its way to the new combined services staff college at Camberley.

Portillo commissioned Knight Frank to market the buildings. Its brochure asked for proposals by November 15, more than three months ago.

And what was the result?

to Chatham, proposes using much of the RNC for its business faculty and central administration, and adjacent buildings for a library, catering, computing and students' quarters.

The museum has submitted

two schemes. One is a bid to

manage the Painted Hall and

Chapel, and their undercrofts.

and increase public access.

Its other proposal has a

wider view. A trust should be

set up, called the Royal Green-

wich Trust, to manage the site

across 20 sites from Roeham-

pton to Chatham, proposes using much of the RNC for its business faculty and central administration, and adjacent buildings for a library, catering, computing and students' quarters.

Responsible directly to parliament, it would meet the key concern at Greenwich of conserving - and enhancing - the national heritage and history.

This imaginative scheme would provide the strategic planning that a place of such importance needs.

The public would have full

access to the Painted Hall and Chapel, except when Green-

wich reverts to its old ceremonial use as the place to receive foreign heads of state.

The Painted Hall can also be

let for income-yielding corpo-

rate events, and the RGT lease accommodation now used by naval staff as flats. "Clearly the nation wants to keep Greenwich," says Ormond, as the fierce reaction to the idea of a sell-off has shown.

It will need money, but less than is needed for the exhibition. Running the RNC costs about £2.7m a year, of which £1.2m comes from the Department of National Heritage for maintenance, while the Ministry of Defence pays around £300,000 for interior costs and a further £400,000 as rent to the secretary of state for defence (in his capacity as the sole trustee of the Greenwich Hospital, which is the freeholder).

The RGT would start fund raising, but still expects the government to contribute to the external maintenance of the buildings and the interior of the Painted Hall and Chapel.

To recognise that Britain's part in ensuring that Britons will never be slaves, the government could supply a dowry, as it did for the naval dockyard at Chatham in Kent.

But the National Lottery must be the obvious source for initial funding for the RGT, which may need £25m. Saving Greenwich for future generations is an ideal way to spend lottery money through the National Heritage Memorial Fund, and ensure that the buildings are still there when the Millennium Exhibition is just a memory.

FASHION

A new, best friend takes the pain out of shopping

Avril Groom meets three personal advisers and their clients who benefit from the professional hand

Long ago when life was simpler, unconfident shoppers took along a companion to help them choose. Male partners were reckoned to be less reliable than female friends because they tended to say yes to anything provided it was within the budget and thus shortened the agony of the shopping trip.

Women companions had their drawbacks, too, such as an unconscious sense of rivalry which stopped them approving a really stunning outfit, or an inability to objective.

Nowadays your "friend" is totally objective, because she is a professional. Along with the personal trainer and the personal therapist comes the personal shopper. A good one could save you lots of money by obviating the need for the other two to accompany you — her careful choice of clothes enables you to know that you can rely on her to make you look your best and save you from mistakes.

Today's personal shopper is not just there to hard-sell you clothes in the name of her store. She may do anything from helping you to reorganise your diary to getting a new plug put on your toaster. She may not even be attached to a department store. "Lifestyle organising" and personal shopping is now a big and competitive business. It relies on building up a long-term relationship between adviser and customer.

One visit to a personal shopper may solve a particular problem, but only multiple visits will take you to the point where your adviser will even shop at a rival store if she knows it has the essential accessory for an outfit you have bought from her.

Choosing the right adviser is crucial to making the most of the service. Freelances are perhaps best for those who want more emphasis on whole-life reorganisation than clothes. Susie Faux's Wardrobe has a nutritionist, beautician, hairdresser and shiatsu massage to help mould the working image into something in tune with a coolly modern look.

Department stores are generally more conventional, and are perhaps a good place to start. We spoke to three of the best-known exponents of this essentially 1990s art, and to a client of each.

The last thing Carole Caplin will do is suggest what clothes you should buy. Before then she will want to advise you on a healthy diet, put you on an exercise regime, maybe even review the way you organise your life to make it more efficient and less stressful.

Trained as a dancer and exercise teacher, Caplin is now a freelance "lifestyle consultant" and her holistic approach has won her high-flying converts among businessmen, lawyers and politicians.

Her methods have evolved after she dealt with her own dietary and emotional problems, which seem almost endemic to a dancer's or singer's life. "Everybody, but espe-

cially women, is under enormous pressures now," she says.

"They need help in running their lives so they can be at their best. Looking good has to come from inside. As you benefit from a better diet and more regular exercise, your skin improves and your eyes sparkle, so you need different — usually less — make-up. Extra confidence may mean you want to try more fashionable clothes and you may also lose weight or tone up."

Caplin also has experience in fashion and keeps tabs on designers whom she feels are right for her career-oriented clients. But, she says, "whether an outfit is the right colour or proportion for you is far more important than whether it is fashionable".

She demands some commitment from clients — an initial consultation in her spacious north London house, all soft lights and hand-painted murals, followed by a diet

I've tried a new hairstyle and I know how to wear clothes that make the best of my good points'

plan and at least two one-to-one exercise sessions a week. Once results appear she may go on to the outer trappings of hairstyle, make-up and clothes.

Caplin is small, perfectly formed and pretty, enough to make any client in need of a lifestyle rethink feel thoroughly inferior. She is also extremely friendly and informal, the sort of woman other women confide in. Clients soon relax: many become friends.

This is what happened to Claire Lewis, who heard about Caplin from a friend of her husband's. After several years out from her career as a marketing executive to have children, she wants to go into Labour party politics, a tradition in her family, and is receiving encouragement from friends among London's New Labour luminaries.

"But I really was just a housewife," Lewis says. "I had put on weight, lost my edge and had no confidence at all." Caplin's regime, she says, has made all the difference. "I feel more energetic. My skin has improved. I've tried a new hairstyle and I know how to wear clothes that make the best of my good points, such as my long legs. She has introduced me to designers like Ronit Zilkha and Karen Millen who make elegant, simple and businesslike clothes which are right for what I hope will be my new career."

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len who make elegant, simple and

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for what I hope will be my new career."

Although transformed, she does

not intend to stop consulting

Caplin, who keeps the momentum

going and, anyway, they enjoy

it.

In such a large store, clients vary

from passing trade wanting help

with one special-occasion outfit

to regulars who put together a whole

wardrobe each season. Far from

lacking confidence, the latter often

make most of their own choices,

looking to Eccles for reassurance

and the well-chosen accessory.

The suite has big, airy change-

rooms where clients can relax with

a drink and snack. Some even

spend all day there. This is an

attraction for Janet Weitz, who has

her own marketing company and a

highly organised life.

"I have a hectic schedule," she

says, "but at the beginning of each

season I take time out to come in

and work through the outfits I need.

I have a good look round, so my

choice is the starting point, but

Julia may know of something bet-

ter, and she finds the extra pieces

and accessories while I relax here

and try on. That is where her exper-

tise counts."

Weitz finds this the most "cost-

and time-effective way of shopping"

and sees the relationship as a profit-

able partnership. "I trust Julia's

advice because she knows me and

my lifestyle," she says, "but I have

strong views of my own, too. I think

we normally come to the best con-

clusion."

■ **Carole Caplin** (0171-431 0344)

charge, from £10 an hour. Department store shopping advice is free.

Gabriella di Nora is on 0171-818 5536.

Julia Eccles, 0171-581 4674.

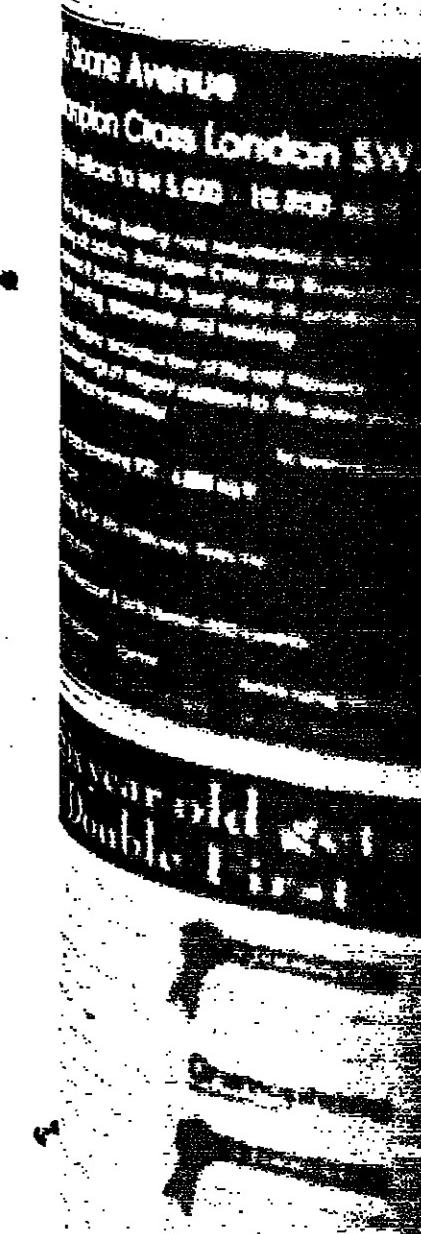
Check out **Sara Richardson**, in a claret cool wool suit by Cerruti, D44, and silk chiffon scarf by Vittorio e Rosato, £75, at Selfridges, with Gabriella di Nora



Trying time in Harrods' Executive Shopping Suite. Julia Eccles approves Janet Weitz's choice — red wool jacket by Mess & V and black dress by Gennyway.



Home matez: Claire Lewis, wearing a grey pinstripe light wool trouser suit from Ronit Zilkha, Brook Street, London W1, with Carole Caplin at her home base



HOW TO SPEND IT

Frockmeister to the ladies who lunch

Once upon a time Tomasz Starzewski was the best-kept secret of London's lunching ladies. No longer. The secret is out.

His reputation as frockmeister in a certain world, albeit a rarefied one, is assured. This week saw a further change of gear in his life when he opened his own store in Sloane Street, London. And Asprey, the Bond Street jeweller and luxury goods house which bought a big stake in his company two years ago, gave the dinner of British fashion week in celebration of new beginnings for both of them.

For Asprey, of course, new beginnings are sorely needed. It has been no secret that this one-time grand luxury store had lost its lustre.

Its share price had tumbled. Naim Attallah, who had been its group executive chairman for four years, had failed to work his expected alchemy, and among the luxury gift-buying set the turquoise blue of a Tiffany box, the distinctive green of a Gucci or the brilliant orange of Hermès had come to have more cachet than Asprey's own deep purple.

Starzewski, the son of Polish refugees, is less in need of new beginnings - "we don't have the past baggage and there are happily no mistakes to put right" - than growth.

When he sold a major stake in his company to Asprey about two years ago, he did so not because he needed rescuing but because he needed the backing of a big luxury group if he was to achieve all he wanted.

"Most of us are given one very important break in one's life and this is mine. I intend to respect it and make it work. It's incredibly exciting to have the vision and expertise of a big luxury group behind you," he says. "If there's a crisis I can talk to them, I can bounce ideas off them and they seem as ambitious for me as I am for myself."

"When Asprey bought into me most people thought they were mad. Here was this young couturier [he was just 32] with a small specialised clientele. I think for them I represent the future - the youthful side if you like - of the luxury goods market. If you look at it if way it looks much more logical."

It was Naim Attallah who originally believed in me and backed me but Jan Dahl, the new group chief executive, is just as supportive and he thinks big. It was he who said to me that I have to be in a 'proper retail environment' but he left it to me to find it. I chose Sloane Street over Bond Street because it's a highly residential area, and if I look at my client list this is where they live.

"I had always known that having a shop of one's own is essential. Many of us - including Caroline Charles, Shirin Cashmere and others - wouldn't have survived the recession if they hadn't had



Jade green cotton bouclé collarless jacket (£460) over matching embroidered bustier and hipsters (£150)

Lucia van der Post meets Tomasz Starzewski, one of London's most socially successful designers, who aims to put his name on the world stage - starting with the opening of his new flagship store

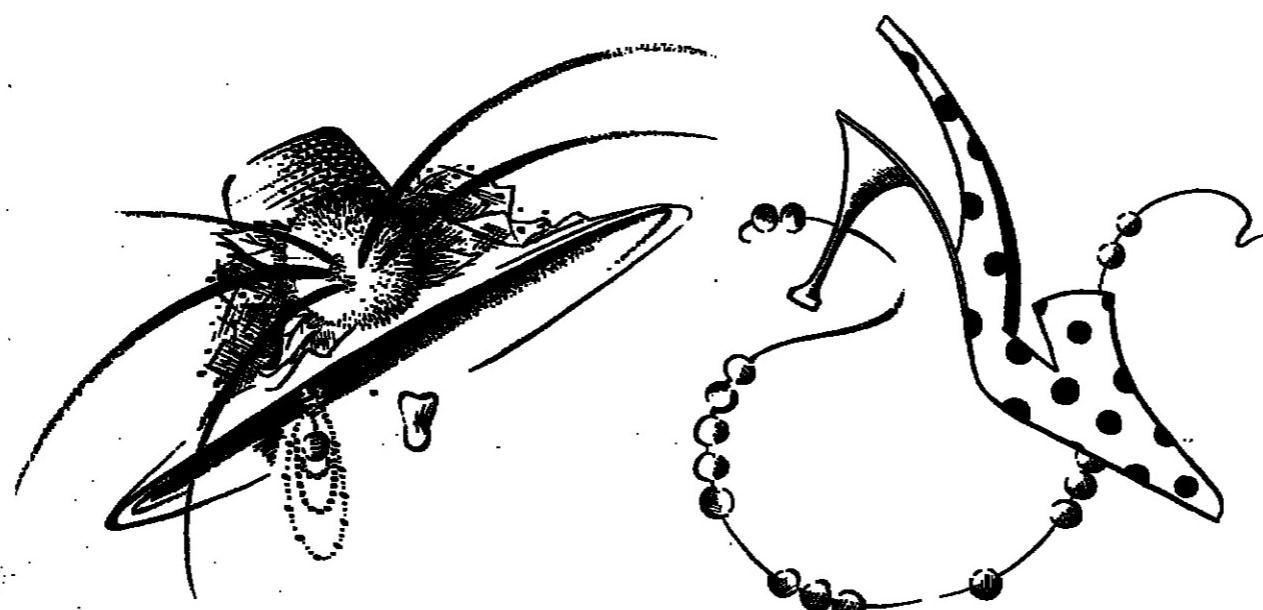


Tomasz Starzewski: his new flagship store was designed by his great friend - and client - Tessa Kennedy



Above: Sam Barnet in front of an Oriel Harwood gilded mirror wearing a white silk cocktail dress with embroidered black chantilly lace bodice, £950
Left: Barnet on the ground floor of the new store in a violet silk crepe cowl-necked evening dress, £1,200. A table by Oriel Harwood in the background

Photographs by Trevor Humphries



Lacquered black straw hat by Stephen Jones. Polka dot grosgrain used for shoes by Gino, £210

one. But I did not dare to dream that I would have a major store on what is now the most fashionable street in London.

"Jan Dahl recognises that I have a public that has buying power and he is prepared to back me." Given that among his clients are said to be 250 of the most socially influential women in England, and that most of his clients hear of him by word of mouth, Dahl would seem to have backed a winner.

The idea, of course, is to turn Tomasz Starzewski into an internationally recognised label. Asia and the US are the priorities - he already has a big client base in Hong Kong and two own-label shops within Lane Crawford stores will open in the autumn. His glamorous evening wear has always sold well in Saks and Neiman-Marcus in the US and shops within stores are being looked at.

All this fits into the larger strategy of turning the whole Asprey group into a global luxury goods business, but, as Starzewski says in a slightly bemused way: "For the moment I am the most global part of their business."

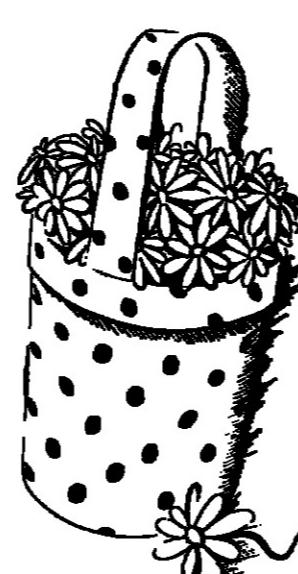
In the UK Starzewski's world may be small and intimate but it is powerful. There is hardly a fortune worth mentioning that has not been plundered at some stage to fund a Starzewski frock or three.

For the thing about his clothes is that they add instant glamour. Other designers may produce clothes that are cooler, more directional, more understated, more elegant. But few know how to turn a piece of cloth and some glibby buttons into such a potent weapon of seduction. Starzewski's frocks are perfect mistress clothes. Men love to see their women in them.

You do not flourish a Filofax in them or look as if you know your bond markets from your gifts. When you want to play office politics or look intimidatingly clever then you do not wear a Starzewski frock. But, if it's a flirty lunch with someone you fancy, or a grand ball at which you want to make an entrance, then he will do you proud.

At the new shop, frocks and ball-gowns will be joined by a full range of accessories, including matching shoes. In the past his shoes always came from Jimmy Choo but he cannot meet the new demands and so Gina will provide some of the new footwear this autumn. Bags will be specially designed by Lulu Guinness, hats by Stephen Jones and jewellery by Erikson Beaman.

Although Starzewski's reputation is of serving a small and privileged elite, his prices are more accessible than this might imply. A sassy day-time suit from the ready-to-wear range costs between £500 and £600, no more than many pedestrian labels. A dress



Polka dot grosgrain bag by Lulu Guinness. To order

could be had for about £400. His Gold label collection is limited to 24 of each design - its rationale becomes obvious when you realise that Starzewski's clients are rather like members of a private club and run into each other a lot - and would sell at about £700 for a day dress, £1,200 for a suit. Couture starts at £1,500 for a suit and about £2,000 for a ball-gown. Bridal wear is a speciality - his dresses float down the grandest aisles and prices start at £1,500.

Starzewski's circle of clients and friends merge seamlessly. He is, they attest, a man of immense warmth and charm. It seems an excellent recipe for business success.

As a 20-year-old at St Martin's School of Fashion he charmed me so much that, between us, we persuaded the Financial Times to sponsor his first fashion show at Grosvenor House.

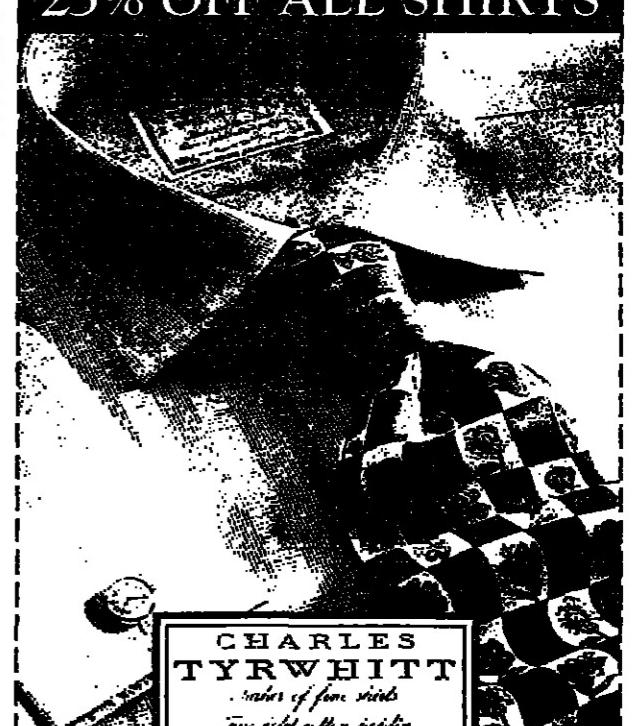
A client has only to cross the Starzewski threshold to be enveloped in a world of luxury, gossip, charm and friendship. If you have the funds, it is irresistible.

Whether this will translate internationally into a world-class label remains to be seen.

■ Tomasz Starzewski's former shop in Poni Street and Graff Street will close and the flagship store opens today at 177-178 Sloane Street, London SW1.



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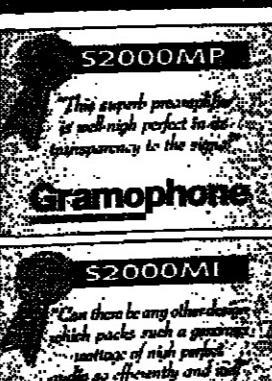
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OUTDOORS

Skiing A 60kph tow on a frozen lake

Arnie Wilson enjoys the food and sport at St Moritz

For the best part of an entire circuit on the frozen lake at St Moritz, the two men on skis and the race horses pulling them at 60kph are neck and neck - one a skiing expert, the other a professional jockey.

Their crash helmets, gashing in the Engadine sunshine, are almost as close as colliding snooker balls.

Even skiers in the celebrated Marmite restaurant, at the top of the funicular, pause over their *bûche au caviar* (SwFr140 a portion) and *caviarissimo* (carruccio with wild salmon, truffles and caviar - FF168) as they strain to admire the spectacle below.

Grimly, Franco Moro, the reigning "skijoring" champion, and his nine-year-old steed, Sacred Number, fight to find a way past Territorial Claim, towing Jakob Broger, on the inside. His route is barred. Outside does not work either. Broger may not be such a skilful skier, but all his will-power as a jockey is coming into play.

Suddenly, Broger's horse, rattled by the confrontation, careers off course, leaving a relieved Moro to cruise to victory.

A new season is opening and work done now will be blessed throughout the year. We are supposed to look forward with optimism but, more and more, I think that most of our gardening books and catalogues lie.

Naturally, they do not intend to be duplicitous. I think they suffer from Waldegrave Virus instead. It is not that they are duplicitous; they merely omit facts which they must know well and then tell us what is necessary to keep us happy.

What they omit is the constant presence of death and disappearance. We all lose a high proportion of what we plant, but we read and write as if it lasts for years.

Perhaps this illusion sets our ideals. Certainly, it does not prepare us for what we ought to expect. My mind's eye is full of new hopes for the next three years, but they are also tempted by encroaching experience. I am reassured to find that I am in the best company. The same experience dogged the gardeners who made the loveliest garden in Britain.

No garden will be more visited this year than Sissinghurst in Kent, former home of Vita Sackville-West, the writer, and politician Harold Nicolson.

The thousands who admire its beauty may be deceived into thinking that it is a one-way tale of success and continuity. If so, they should read Tony Lord's new book, *Gardening at Sissinghurst* (Frances Lincoln £25, 168 pages).

The photographs are outstanding. The text is instructive because it derives from close discussion with head gar-

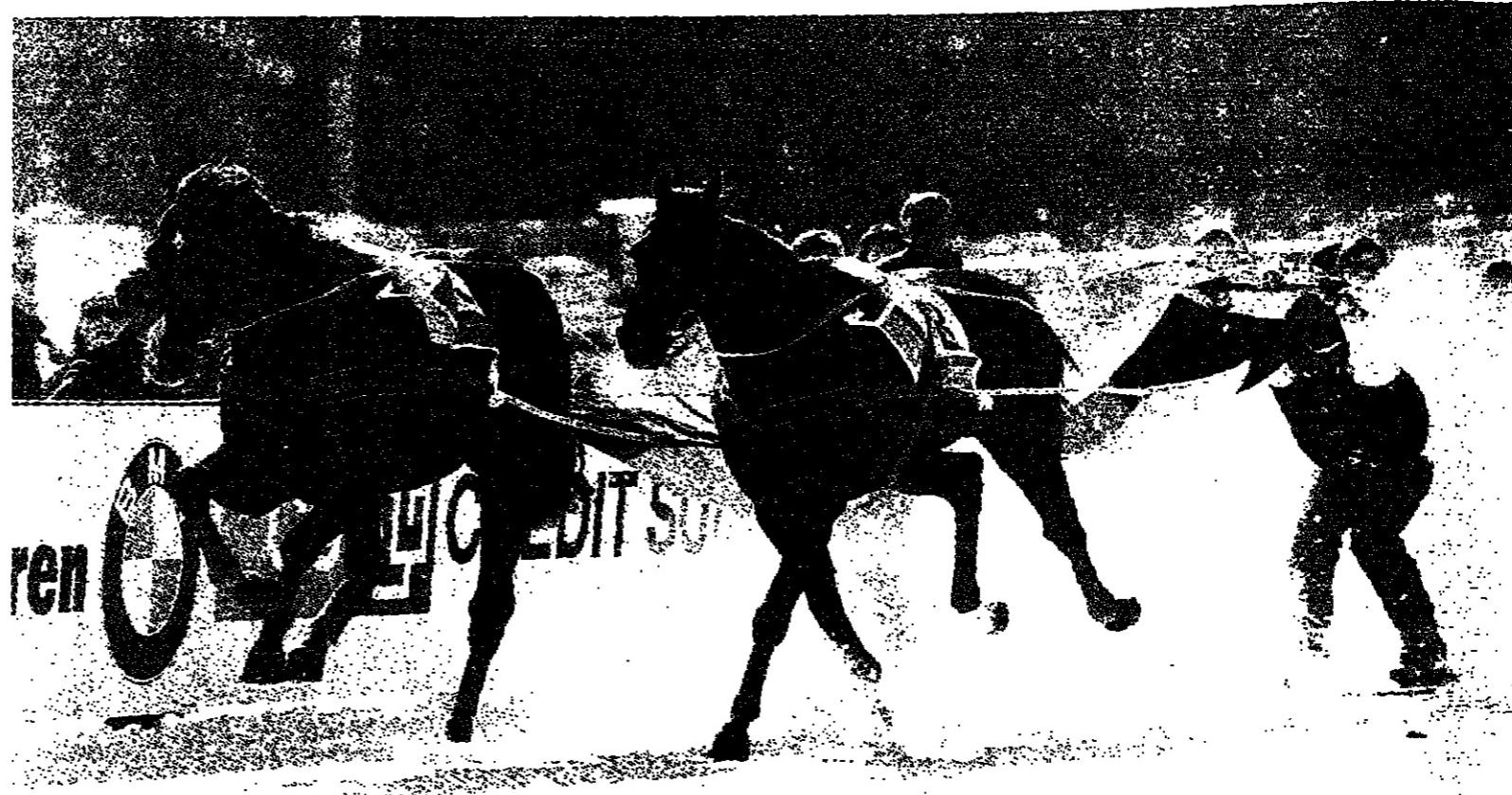
"When it comes to the test, it is more important to be a skier than a jockey," said Moro, director of the St Moritz ski school, who had already won the Credit Suisse Skijoring Trophy four times.

The sport of being towed on skis behind a horse was invented by the Scandinavians. But it arrived in St Moritz as early as 1905. Although just pipped as this year's champion by last year's champion, Moro has won eight out of 14 races, mainly on Sacred Number.

Skijoring is the most popular event in the St Moritz White Turf meeting, which includes horse racing and pony-and-trap events, all held on ice. Special flat nails in the horses' hooves enable the animals to keep their footing at speeds in excess of those achieved on conventional turf.

Earlier, Princess Caroline of Monaco and friends had arrived in a private helicopter. King Carl Gustav of Sweden is also in town - not just for

The rich and famous still come, of course, but even they appear to be on the wane. "I used to ski regularly with



Skijoring in St Moritz: "When it comes to the test, it is more important to be a skier than a jockey"

queens and movie stars," said Jacques Savay, our amiable instructor. "Last year I skied with Robert de Niro and Silvio Berlusconi, the former Italian prime minister, and that was about it. They were staying at the Shah of Persia's old house."

Meanwhile, back on the frozen lake, the soothing bells of the village church were struggling to be heard above the

White Turf big bands: one from Lucerne - kitted out in devilish black gothic-cum-Hell's-Angel attire - belted out strident carnival music, while the Orphans, a British band from Weston-super-Mare specialising in "authentic 1960s soul music", drowned the bells completely.

If you want to dance, or anything, just break out," urged the lead singer, Chris

Rowe. Some Britons, at least, were alive and well and in town.

Their absent compatriots might not recognise the resort if they return. Skiing has taken on a new look in St Moritz, particularly on the sunny slopes of Corviglia. Many new lifts have opened in the last year or two, giving the tired uphill transport system a state-of-the-art appearance.

The new Marguns "trails flours" chair is Switzerland's first six-seater. There is also a new quad up to Curtinella at Corvatsch, and a new cable-car at Lagalb-Diavolezza (Pontresina).

Certainly the traditional visitors to St Moritz before it became a winter sports resort would be surprised. At the turn of the century people came here mainly to take the waters. Indeed, one visitor in

Credit Suisse

Gardening / Robin Lane Fox Remember the death factor



Sissinghurst, from Tony Lord's beautifully illustrated new book

deners since the Nicolsions died. It is an excellent guide to the present contents of this matchless garden but it is particularly telling because it describes so many of the changes and the failures.

Admirers of the White Garden may not realise that it began life with several almond trees, all of which have had to be removed. The beautiful pergola in the centre of the garden is a posthumous addition, con-

"eternal problem of iron garden structures". No book forewarns you but in summer they become too hot for plants and in winter they can chill them, a disadvantage which I have learned the hard way.

In a typically neat article, Sackville West once compared gardening with infant mortality in the Middle Ages. Lord makes sparing use of her writings and conveys less sense of her genius than I would expect.

She had, however, anticipated the running sub-theme of his splendid book: gardens die and change, even the best, and the best gardeners are those who do not lose heart.

The lilies have vanished from the Rose Garden since 1959. So have the 12 malus with purple leaves, which used to be its unexpected trees. Many of the roses would have vanished, too, but for the energetic mulching by her two inspired successors, Pamela Schwert and Sibylle Kreutzberger. During more than 30 years, they improved and developed the original vision and all visitors owe them a lasting tribute.

Not even Pam and Sibylle would expect to stop the change and decay. The celebrated sweep of polyanthus under the nut tree fell victim to brown root rot and red core disease.

The herb garden has always been too cold to grow proper

basil. The lovely white Poppy of the Dawn was naturalised but it ran out of control and became a dreadful menace. Rust continues to attack the mallows and small mites assault the Michaelmas Daisies.

Sarah Cook, the head gardener, continues to move, replace and eliminate plantings which fall or die. When we visit, we are so easily

deceived that this garden goes smoothly and never deteriorates because its maintenance is so brilliantly upheld. Visitors like to say how they wish that they, too, could have such a place for themselves. The gardeners have always enjoyed the irony.

I

Lord's book is the first, full guide in print to the many changes made to this jewel of British gardens in private and

public ownership. I have enjoyed it immensely, although you might think that this particular garden allowed nothing new or significant to be added to its many writings.

I have enjoyed his survey for another, topical reason. We are all setting out for a new spring, old and new gardeners alike. New gardeners have dreams and high aspirations which nature will batter and spoil.

Old gardeners ought to know better but they, too, have moments of expecting perfection which they will never attain.

One moral would be to scale down and give up in the face of realism. Another is to disbelieve the handbooks and accept that a high level of failure is part of the business. Our greatest garden and its chain of great gardeners support this second conclusion. They also support the one which matters: when something fails, start all over again and never lose heart.

The best gardening relies on resilience in the face of mistakes and natural wastage.

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Fishing / Tom Fort An odious technology

A m I simple-minded in believing that fishing should be a simple business? To me, it involves standing, sitting or kneeling beside, in, or on a river, lake, pond, canal, or sea using a rod, to propel a bait or lure in the direction of a fish; and turning a winding device, namely a reel, to extend or retrieve the line.

Within these boundaries, let human ingenuity play. I can admire and delight in the precision and delicacy of the latest rod, and in the engineering genius which informs the most advanced reel. I like my flies to be of the best, my floats to look pretty, and the rest of the necessary gear to be serviceable and sound.

But when it comes to the exploitation of technology to lower the odds in the contest with the fish, my Luddite proclivities are aroused. Take the fish-finder, for instance, which bounces signals around to tell you where the fish are lurking.

The usefulness of this gadget in deep waters is self-evident - as I found when fishing a monstrous river in Brazil a couple of years ago.

But even then it struck me as not playing the game. What if the fish had an angler-finder, I wondered? The sport would be finished.

On the subject of bite alarms, I am a Blimp. True,

when I was a lad I had a little bell which was fixed to the end of my rod for night fishing.

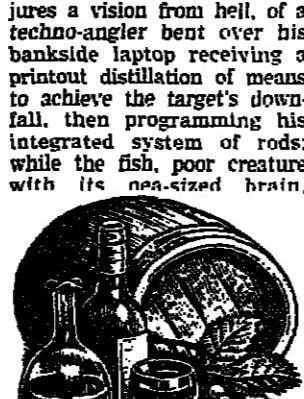
The theory was that if that is what you call it. To me it all conjures up vision from hell, of a techno-angler bent over his bankside laptop receiving a printout distillation of means to achieve the target's downfall, then programming his integrated system of rods; while the fish, poor creature with its pea-sized brain,

had enough. But I recently read in one of the angling papers of an odious refinement. It is a paging system, a bit of plastic which you pop in your pocket, enabling you to pop off to send a fax or consult with your mobile until a beep tells you a fish has turned up.

The author of the article urges restraint. He deprecates going down to the pub, and maintains that the gentle music of the paper is more sociable than the cacophony of antiquated buzzers.

He dismisses what he calls the "voice of doom of the traditionalists" with this abominable maxim: "We can't half progress, so let's enjoy it sensibly."

To be accepted as a true devotee, you must be a chemist, to prepare the high-protein baits; and an



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INTERNATIONAL PROPERTY

Avoid the Walk

SAVILLE

PROPERTY

In the Maldivian coral paradise

Gerald Cadogan finds a getaway island in the Indian Ocean

Besides the gentle lapping of the sea on the beach of white coral sand, the only sound outside one's room is a rustling as the wind stirs the fronds of coconut palms.

This is the Indian Ocean tropical island of Kunfunadhoo in the Maldives where Soneva Fushi, a small luxury resort, opened last autumn. It has 42 rooms (some of them free-standing small houses) and will eventually have 65. Ten three-bedroom villas are also being built to buy.

Soneva Fushi (*fushi* means floating island) has the coral island to itself. A quarter of a mile wide and just under a mile long it is, surprisingly, the largest island in the Maldives.

The palms are not the only thing to make a rustling noise. The island is full of rabbits and chickens and wading birds. The only predator is a lazy cat, which finds enough to eat at the kitchens. There are no poisonous snakes or malaria mosquitoes. But the island has some ordinary mosquitoes, no worse though than in the Mediterranean; and lots of chameleons.

The Maldives are 1,169 islands in 26 atolls stretching more than 500 miles across the Indian Ocean. Most are uninhabited. From the air the reefs show up as a pale blue-green against the dark blue of the deep ocean. Some islands have vegetation, some are just sandbanks. The coconut palm is the national tree.

It is a long journey to the Maldives, usually via Dubai or Colombo. Most holiday-makers cram into the first resorts developed about 15 years ago. The airport is a boat ride from Malé, the capital. It has one ancient mosque, schools, a good public garden, boatbuilders'

quarter and bungalows from the days when the islands were a British protectorate.

Soneva Fushi is different from the other resorts. It offers the luxury of space since, even when the building programme is complete, there will be hardly more than 200 people (including staff) on the island.

Among the palms and tropical scrub it is easy not to see anyone else, while the 40-minute journey from Malé, with Hummingbird Helicopters, gives the luxury of distance. As the helicopter rose for the return trip, we looked down on a whale plunging through the ocean.

It is hard to find a more refreshing change. Pack few clothes, lots of books and forget the rush of urban life. But if you cannot survive without outside stimulation, the hotel loans out videos and CDs - your own desert island discs. Or take a *dhow*, the Maldivian boat, to try another island for a picnic, or go scuba diving or snorkelling to view the marine life. There is plenty of it in the dining room. Fishermen bring in a hefty catch each day.

Soneva Fushi is the child of Sunu Shivdasani, a 30-year-old Indian, who started the idea in his last year reading English at Oxford. With Eva, his Swedish wife, he has created a rare resort of sophisticated and luxurious simplicity.

The chunky 1930s-style furniture, imported from Bali, in bamboo and plantation teak, is solid comfort. Swept areas around the rooms bring the reassuring sense of order in the wilderness.

My semi open-air bathroom had its own private walled garden. The bed was a four-poster in bamboo with roll-down mosquito netting. Somerset Maugham, here we go.

The 10 villas will have the same furnishing but can be split up into

three units, or enjoyed as a whole. This allows buyers to let some or all of their rooms in co-operation with the hotel. That is essential. The island is not big enough for separate enterprises, particularly as everything has to be brought in - and crises of delivery can occur at any time.

Fruit and vegetables are imported from India, Sri Lanka and Australia. The house wine is from Chateau Galoupet, Shivdasani's vineyard in Provence. The villa owners will also depend on the hotel for electricity and water, which is desalinated.

As foreigners may not own

freehold in the Maldives, the management company, Soneva Pavilion Holdings, has devised three packages. If you buy a 20-year lease on a villa for £1.45m (£940,000), it will be repaid at the end of the term.

You can put up less money, £1.15m, for no repayment in 20 years' time or, alternatively, pay only £750,000 if you are willing to guarantee that the hotel can use the villa for nine months a year and keep all the revenue. In effect, one is buying three months of holiday for the next 20 years.

With the first two schemes, the hotel will let out the villa (or its

rooms) on request, dividing the revenue with the owner. On the basis of the room rates, and current 66 per cent room occupancy in the Maldives, and assuming that the villa is available for letting nine months a year, an owner could expect to clear for himself around £100,000 - to be spent on enjoying his stays in the other three months.

The Maldives has no income tax, VAT or restrictions on the repatriation of funds. But there is a land tax of \$3,000 a year per bedroom and a bed tax of \$6 per occupied bed night, which will apply to owners in residence.

The hotel will arrange food and

freight on behalf of the owner.

■ Gerald Cadogan flew with Emirates and Hummingbird Helicopters.

■ *Inquiries about the villas: Soneva Fushi (00960-230304); Soneva Pavilion Hotels & Resorts, Bangkok (00662-254 4775); Zenith Global Partners, London (0171-371 3900).*

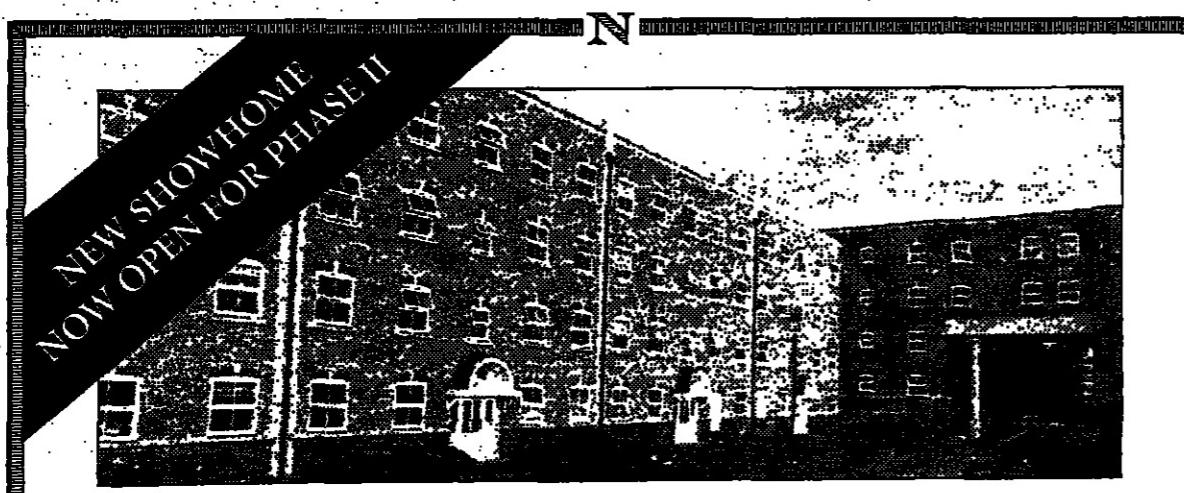
At the end of 1995, the most expensive manors were in east Berkshire (£1.75m) and dearest farmhouses in north Surrey (£700,000). Cheapest manors were in Wales (£350,000) and farmhouses in Wales and Scotland (£200,000).

In the home counties, Buckinghamshire, Kent and Sussex still offer manors for less than £1m.

Regional fluctuations in prices, even between adjoining east Berkshire and north Surrey, suggest it is wise for buyers to look beyond their main target area.

G.C.

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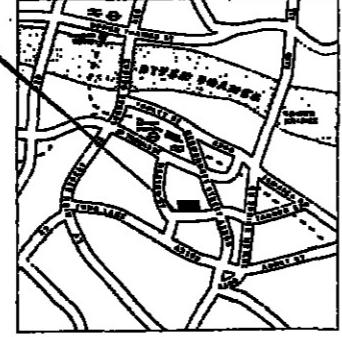


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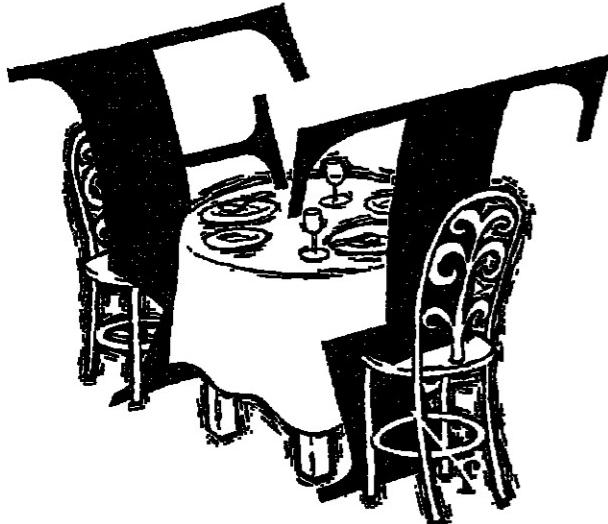
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FOOD AND DRINK

Lunch for a Fiver

Winners and losers in a fun fortnight

Nicholas Lander assesses the FT's 1996 restaurant promotion, when readers braved even blizzards in search of good value meals



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1. St Olaves' Court Hotel, Exeter, Devon (01392-217739)
2. The Marsh Goose, Morston-in-March (01603-652111)
3. Summer Lodge, Evershot (01935-63424)
4. The Punch Bowl Inn, Crosthwaite (015395-68237)
5. Pomegranates, London SW1 (0171-622 6560)
6. The Blenheim, London NW8 (0171-622 1222)
7. Clos du Roy, Bath (01255-444450)
8. George & Dragon, Rowde (01380-72305)
9. Four Seasons, Dyfed (01267-250228)
10. Percy's, Harrow (0181-427 2021)

Lunch for £7.50

1. Bryn Howel Hotel, Langollen, Wales (01978-650331)
2. The Wife of Bath, Wye (01233-512223)
3. The Old Forge, Stow-on-the-Wold (01993-734402)
4. The Stepping Stone, London SW8 (0171-622 0555)
5. Rer de Sez, Haslemere (0743-651462)
6. The White Horse Inn, Chipping Norton (01280-333219)
7. The Stag, Norwich (01603-632521)
8. James, London WC2 (0171-405 5749)
9. Vintners Rooms, London EC2 (0171-554 5787)
10. The Queensbury Hotel, Bath (01255-447323)

Lunch for £10

1. Harwell House, Aylesbury, Bucks (01296-747444)
2. Hambleton Hall, Hambleton (01572-559991)
3. Winteringham Fields, Winteringham (01724-733059)
4. Delapre Park, Chalgrove (01647-440671)
5. Rose & Crown, Northolt (01895-538344)
6. Letts, London W1 (0171-222 4491)
7. Hollington House, Hollington Hill (01233-255100)
8. Sulcato's at 116, London W1 (0171-499 3454)
9. The King's Head, Wiverton (01288-652888)
10. The Pink Geranium, Melksham (01722-230215)



Owner Gianfranco Parola (left) head waiter Jonathan Adams (right) and head chef Terry Shaw get in to the spirit of the FT's lunch promotion at the Café Grazemille, the Cock and Rabbit Inn, Buckinghamshire

Ashley Atwood

Since the beginning of this year's Lunch for a Fiver, the FT's UK restaurant promotion, my mailbag has been bulging with questionnaires, letters from restaurateurs and perceptive reviews from readers.

According to reports from British restaurateurs as far apart as David and Ron Pitchford of Read's, Kent, and Andrew Hetherington, of Fairhill, Gower, near Swansea, FT readers were prepared to travel for up to 1½ hours in search of the best value lunch.

Two new themes have emerged from this year's promotion:

The first is the sense of fun and good humour that prevailed, with a few exceptions, throughout the 340 participating restaurants.

For example, at the Café Grazemille, in the Cock and Rabbit Inn, Buckinghamshire, proprietor Gianfranco Parola had his bar staff and waiters wearing T-shirts emblazoned with "No FT, No Comment" and tablecloths were made from the newspaper.

country in January."

Similar sentiments, too, from Marcus Leaver, proprietor of The Blenheim, London NW8. He reported that the ham hocks served on their £5 menu had been such a runaway success that one man arrived to order 80 for a party in two months' time and paid cash there and then.

The other obvious theme is that FT readers are, rightly, demanding and keen to put the restaurants on their mettle to ensure they get the best value for money.

One reader in London EC4 gave a detailed account of her lunches at the River Café, W6, Leith's W11, and Adlard's, Northwich, followed by a blanket criticism of them all for not being vegetarians.

She pointed out that not all FT readers are ex-public schoolboys who have never enjoyed anything except meat followed by pudding. She put forward a five-point proposal to ameliorate the vegetarian's lot.

The letter ended happily, if incongruously, by saying: "Adlard's managed to produce the best lamb and the best pub-

dining we had ever eaten and we still felt a warm glow that evening despite a two-hour drive through a blizzard."

Several readers and restaurateurs wrote wondering why their particular part of the country had been under-represented and one kind reader in Cornwall even took the trouble to tear the restaurant section out of his Yellow Pages and send it to me.

The responsibility for this is mine. However, it is difficult to find restaurants of the right standard, outside city centres, which are open in January and early February. Any nominations or self-nominations for next year's promotion will be gratefully considered.

So to your questionnaires and the results. We received 13,300 replies split equally among the three price categories, an increase of 10 per cent on last year.

In spite of the total number of participating restaurants - 163 in London and 182 outside - all the winners, the top three places in each category, have been won by restaurants outside the capital.

Of the top 30 restaurants nominated by FT readers, only seven are within London. Are London restaurant-goers less keen on filling in questionnaires or are there still many unreturned forms lurking in business suits or even dry cleaners? Or do London restaura-

tors feel the same?

At the end of the first week, Raymond Wyatt, proprietor of St Olaves' Court, wrote in haste confessing that when I originally conceived of Lunch for a Fiver in 1993 his reaction to it was "What the f***".

Not his scene, too New York, he confessed. Now a convert, he has used the FT Lunch for a Fiver menu to market his hotel. He added: "I have stayed with the £5 lunch as I believe this gives the greatest challenge to the chef. Buying has to be particularly keen and imagination on menu planning more relevant. It is a challenge to the whole team."

The top 10 in the £7.50 category contains four restaurants from last year's top 10

rants' higher fixed costs impose constraints? One thing is clear: excellent cooking - and value - is available nationally.

From the reports it was clear that all 10 restaurants listed in the £5 category offered great value and I can only feel sorry

for The Marsh Goose, which has come second last year and this.

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The top 10 in the £10 category contains four restaurants from last year's top 10

that have been rewarded not just with first prize but with an even bigger increase in business - they served one more FT customer this year!

Head chef Alan Maw and his team at Hartlebury House, Aylesbury, must have been cooking inspirationally during the FT fortnight. Not only has this restaurant won the £10 category at its first attempt, but it has also beaten four of the nine Michelin-starred restaurants who took part this year.

Although the £10 category may not impose the constraints that cooking a £5 or £7.50 menu does, the £10 category in many cases provides the biggest savings for the FT reader - up to 70 per cent or 80 per cent on food bills.

The mailbag is not all enthusiastic and readers have shown no hesitation in expressing their disappointment at some of the meals and service they have been offered, particularly at the Hole in the Wall, Bath, and Ma Cuisine, London.

I must now open my file for Lunch for a Fiver, however, gave

me great pleasure. The first came from a reader who had used one of his three FT lunches to meet a clerical friend and sort out a pile of theological cuttings from the FT.

The second came from Richard Binns, who has written several guides to eating out in France involving visits to 1,500 restaurants in search of the best price/quality ratio.

Wearing his professional hat, Binns set off not just to judge two restaurants - The Emerson Dining Room, Darlaston, in the Black Country, near the M6, and the Penhale Arms, Aberdovey, Wales - but also to scrutinise the principle of the FT promotion.

He described The Emerson as a "Tardis of surprises with fine silverware, crockery, crystal and fresh flowers... and a chef with a sure classical hand" and lunch at the Penhale Arms as "culinary largesse". He ended by wondering whether French restaurant today could offer the same value with a FT£10 menu?

I must now open my file for Lunch for a Fiver.

firm to the touch.
Cool and refrigerate until needed. Unmould and slice for serving with a herb vinaigrette sauce flavoured with, say, tarragon or spring onion and garlic.

QUENNELLES OF WHITE FISH
(serves 8 as a first course
or 4-5 as a main course)

White fish mousse mixture, as above; a well flavoured sauce, such as tomato with dill sauce for serving, plus a little grated cheese.

Choose a pan with a large surface area. Fill it with water just 8cm deep and bring to a simmer.

Shape the chilled mousse mixture into plump ovals, using two dessert spoons. (The shapes will turn out smoother if the spoons are dipped in hot water between each shaping, but I quite like a slightly craggy effect.)

Drop the quenelles into the simmering water, a batch at a time, and cook for 5-7 minutes. Drain on absorbent paper and keep warm while cooking the rest.

Finish the quenelles in an ovenproof dish with sauce. Sprinkle a little grated cheese over the top and slip the dish under the grill briefly.

The Food We Eat by Joanna Blythman, a Penguin paperback original, costs £7.99.

Hoppe End Hotel, nr Ledbury, Herefordshire HR8 1JQ. Tel: 01591-633613. Fax: 01591-636366.

Dame Edna Everage, the megastar housewife, once confided in one of her television programmes: "I'm very health conscious, I only eat things with cottages in the packet." The irony was lost on the guest she addressed, Linda McCartney, if memory serves me right.

Joanna Blythman would have relished the remark, laughed and rejoined with her own list of the most over-worked hoarding images and words: "Farmhouse", "heritage" and "natural" would, I feel sure, be among them.

Blythman is a food journalist who has brought out a book that looks set to enhance her reputation further. *The Food We Eat* is an illuminating guide to the way food is produced and marketed in the UK. It aims to - and succeeds - in giving the consumer the background knowledge needed to make informed choices about what to buy and eat.

Carefully researched and honestly reported, it is richly informative, a model of clarity and brevity - and eminently readable. No pious whingeing, no aggressive proselytising, no overstatement of case. Blessed with fine writing ability and a fine palate, she is concerned about every aspect of eating well - the pleasures of the table, the textures and tastes of high quality foods, as well as food safety, good husbandry and animal welfare.

Much of what she reveals is

disquieting, some is encouraging, none of it is boring. She unravels the clues needed to decode labelling (explaining, for example, that Scottish smoked salmon and smoked Scottish salmon are as different as a chestnut horse and a horse chestnut).

She gives guidelines on recognising ripeness, offers the best descriptions of the raising of beef versus suckler beef that I have come across, introduces the chilling worlds of genetic engineering and the irradiation of foods, and much more.

Throughout the book she follows, to the letter, the advice she gives readers at the beginning: be wary of bland, meaningless assurances - recognise them for what they are and search out hard information.

I applaud the fact that this is a paperback original and so modestly priced. My only quibble lies with the subtitle "the book you cannot afford to ignore", which has for me a faintly goody-goody ring to it.

I do not believe that Joanna Blythman and Patricia Hegarty have met. They ought to for they both share a passion for good ingredients that

taste truly of themselves. Let Blythman loose in the one-acre walled kitchen garden at Hegarty's Herefordshire home, Hope End, and she would be in seventh heaven.

For the fruits, vegetables and herbs that thrive in that organic haven are varieties chosen for their fine eating qualities, many of them old-fashioned varieties too labour intensive or low-yielding to find commercial acceptance.

Hope End was the childhood home of Elizabeth Barrett-Browning. It must be the most magically located small country house hotel in all England, a verdant and tranquil spot to which its devotees make regular pilgrimages.

Hegarty's unpretentious brand of English cooking makes splendid use of her fresh garden produce. It features home-made breads, biscuits and preserves, and depends on foods bought in from outside being chosen with the same care as is devoted to those grown on the premises.

Last year Hegarty finally gave in to pleas to allow guests occasionally to join her in the kitchen, to observe her philoso-

phy in action so to speak, glean cooking tips and recipes. This year a few more opportunities are planned - three-night stays with guests invited to arrive in time for tea on Tuesday and to depart on Friday after breakfast, to include three half-day sessions in the kitchen and one in the walled kitchen garden.

Recipes for spring are the subject scheduled for March 5-7 inclusive and March 19-21 inclusive. There will be one course on cooking with herbs (June 4-6 inc) and two devoted

to autumnal recipes (November 13-14 and November 19-21 inc). Prices are £250 a participant and £161 for non-participating partners.

Look out, too, for contributions by Patricia Hegarty and John, her husband, to *Fruity Stories*, a Channel 4 series on growing, storing and serving fruit due to be transmitted this month.

HEGARTY'S WHITE FISH MOUSSELINE FOR TERINNE AND QUENNELLES
(serves 12-14)

White fish mousse mixture

(as above); 6-10 fresh spinach leaves, depending on size; 125g prawns (cooked and shelled weight); herb vinaigrette for serving.

Lay a terrine or loaf tin of 1.2 litre capacity by laying a broad strip of Bakewell paper across the container and pressing it down so it covers the base and both long sides. There is no need to bother about lining the short ends.

Blanch the spinach leaves for two minutes in boiling water to make them supple. Drain, pat dry and lay them in an overlapping row on a board.

Whiz the chilled mousse mixture into plump ovals, using two dessert spoons. (The shapes will turn out smoother if the spoons are dipped in hot water between each shaping, but I quite like a slightly craggy effect.)

Drop the quenelles into the simmering water, a batch at a time, and cook for 5-7 minutes. Drain on absorbent paper and keep warm while cooking the rest.

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SPORT



Back to the future: Scotland's Scott Hastings chased by England captain Will Carling in their Five Nations match at Twickenham in 1991

Rugby / Huw Richards

Rowell's men: the world is against them

Among England manager Jack Rowell's techniques for building team spirit during his successful spell with Bath was encouraging a conviction that the rest of the world was against them.

Rowell has every reason to replay that tune to his England squad this week, as most of the rugby world will be against them as they try to stop Scotland taking the Grand Slam at Murrayfield today.

It will not just be the Murrayfield crowd, who helped inspire a famous Scottish victory over England in 1990. Goodwill for Scotland was evident in Cardiff two weeks ago after Scotland's narrow victory over Wales.

The Scots were, as Rob Wainwright, the captain, admitted, distinctly fortunate. But there was none of the recrimination or resentment that often follows narrow defeats, unlucky or not.

The good wishes pressed on Scotsmen reflected far more than Celtic solidarity against the Old Oppressor — many an Englishman's partisanship today will be tempered by generous recognition of what their opponents have contributed already to this season.

Scotland are in danger of bringing the game into disrepute. Like New Zealand in the World Cup, they have reminded us why it is worth watching by restating the case for instinct and imagination in a world dominated by pre-programmed, control-freak pragmatism.

International rugby is a realm of *realpolitik*. Results are what matters. And every team plays the percentage game in that it selects the players and tactics most likely to bring it victory. The difference with Scotland is that the method they have chosen excites and enthuses those not otherwise committed to their cause.

They are no different from any other team in recognising the importance of winning possession — the oft-cited truism that "you cannot win without the ball". But the point is what you do with that possession, and how you regard it.

For many club and international teams it is, first of all, a means of stifling the opposition — establish forward domination and play a tightly controlled game that minimises mistakes, using battering-ram back-row moves and well-placed kicks to make progress upfield.

Provided it works, this is not unattractive to the committed. Vast numbers gather at Welford Road, Leicester, to see if Dean Richards and his club team can maintain their present rate of three pushover tries a match.

The new Twickenham stands are a monument to the crowds attracted by England's penchant for setting up rucks and Rob Andrew kicking to the corners — the possession gained. And any fan can appreciate the technique of a dominant pack and the skill of a kicking outside-half, even as they speculate on the wing's chances of getting hypothermia.

But just as cricket fans would generally rather have watched David Gower than Geoffrey Boycott, and their soccer counterparts derive more pleasure from Peter Beardsley than Tony Adams, so rugby fans would rather watch a team that sees possession as an opportunity to create, to give their opponents something to stop rather than simply stopping them.

That appeal goes back to the St George's Hospital teams of the 1870s who used quick, skillful players to outwit the cumbersome behemoths who had dominated until that time — a breakthrough as important in the development of rugby as Scottish soccer's contemporaneous development of a passing game was to the rival code.

That is Scotland's charm this year — a style based on quick ball, rapid movement and above all quick thought. It is rugby freed from inhibition. If there are more mistakes, they are outweighed by moments of brilliant creation epitomised by the winning try at Cardiff —

Changing the England back row for the sixth time running shows uncertainty

first a long, swerving break by Kenny Logan, then a refusal of the easy drop-goal option in order to go for the line.

Scott Hastings, a rock-solid centre whose defensive solidity helps underpin the brilliance of fly-half Gregor Townsend, equals brother Gavin's record of 61 Scotland caps today as he aims for an exclusive place in the record books as the first Scot to play in two Grand Slam teams.

England may have the power and, as the selection of Dean Richards shows, certainly have the intent to stifle the Scots. They have also taken revenge three times since that 1990 defeat by Scotland, including the gripping, low-scoring 1991 World Cup semi-final. But with the once all-powerful front-five in transition, changing the back row for the sixth game running shows uncertainty — and the back row is exactly where Scotland are strongest.

Scotland could probably do England no greater favour than send them homewards to think again about a more flexible and imaginative approach. This is already Scotland's year, and today should be their day.

In Dublin, the Welsh revival in spirit and style needs a win to bolster it against those who would dispatch them back down the damage-limitation dead-end of recent years. Ireland just need a win but talents aside, in recent history, in a fixture that has produced only one home win since 1964, favours the Welsh.

World Cup Cricket Catching England's ills

Mike Marqusee says the serious work begins as the quarter finals beckon

This World Cup badly needed an upset, and at just past 4pm on Thursday, in Poona, western India, it got one, as lowly Kenya pulled off a sensational 73-run victory over the once mighty West Indies.

Until then, the preliminary group rounds seemed little more than a ritual, a chance for cricket's super-powers to probe each other's strengths and weaknesses, with the qualifiers for the knock-out stages a foregone conclusion. Now to be certain of a place in the last eight, West Indies will have to beat the Australians at Jaipur on Monday. On current form that seems even less likely than Kenya's giant-killing act.

The West Indies seem to have caught a bad case of the English disease. From the start, they appeared demoralised, sullen and fractious in the field, as if playing cricket in this part of the world was merely one of the burdens of super-stardom.

In contrast, the Kenyan amateurs, strongly backed by the Indian crowd, were enthusiastic and committed. They had come to enjoy their cricket,

and it showed. This triumph for naive sincerity over world-weary cynicism not only vindicated the presence of the much-derided "minnows" in the World Cup, but went a long way to justifying the existence of the controversy-wracked competition as a whole.

Holland have also acquitted themselves with honour (the young batsmen Noortwijk and Zuiderveld impressing against England), but the UAE have proved an embarrassment playing without purpose or plan. It remains a mystery how they defeated the Kenyans in the 1994 qualifying tournament.

Until Kenya's victory, it had been assumed that the key match of the day would be the showdown between cup-holders Pakistan and the red-hot South Africans in Karachi. These were the two strongest sides in an otherwise lacklustre group, and for Pakistan it was considered vital to top the group in order to play their quarter final match at home (especially as both semi-finals are to be played in India).

Pakistan had made a late entry into the competition, dispossessed easily of Holland and

the UAE, but they did not bowl bat or field consistently enough to arrest the South African juggernaut. That is to the South Africans' finely honed teamwork, Pakistan will now play a match in India for the first time in nine years.

Today's match between Sri Lanka and India in Delhi now looks likely to determine who will meet the Pakistanis in Bangalore (assuming the 1992 champions defeat England on Sunday).

Although awarded four points for the two matches forfeited when Australia and West Indies refused to play in Colombo, Sri Lanka have so far been restricted to a single appearance in the field, where batsmen Aravinda De Silva and Asanka Gurusinha put the Zimbabwean bowlers to the sword.

Packed with swashbuckling stroke makers, Sri Lanka are one of the classiest batting acts in the World Cup. Should they meet the well-oiled Australian machine at any stage in the tournament, they will be backed by the entire sub-continent, still nursing a grievance over Australia's snub.

Continued on Page XI

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SPORT / MOTORING

Continued from Page X

Tendulkar is the ultra-modernist of contemporary cricket, matching power with innovation. Waugh is a standing reminder of the virtues of the classical style, relying on placement and timing.

Waugh opened the innings with Taylor, who shocked the Indians by abandoning his usual stone-walling defiance to strike a rapid fire 58, while Waugh was still on 38. Taylor's captaincy is one of Australia's main assets, and Warne, endlessly varying flight and turn, seems to have the ball on an invisible string, leaving the batsmen nothing to hit.

Intriguingly, the World Cup match winners may well prove to be the leg-spin trio of Warne, Kumble and Mushtaq Ahmed (now joined by the lesser light of Zimbabwe's Paul Strang).

Traditionalists who have accused the one-day game of eradicating cricket's arcane craft may have to revise their judgments. Increasingly, it is being raised to a collective science, while still leaving scope for individual artistry and, as the Kenyans have shown, the decisive importance of heart and soul.

As Omar Kureishi, the veteran Pakistani commentator, has observed: "In one-day cricket, the element of mind has come to the fore." It is this element that both England and the West Indies seem to lack.

Memories of Dutch cricket

When I was 14 years old I received a letter saying I had been picked for the Dutch youth cricket squad. Although I held wildly unrealistic views of my own ability, I was surprised. First, although I lived in the Netherlands, I was English and not Dutch; second, every Saturday morning boys such as Tim de Leede and Klaas Jan van Noortwijk hit my leg-spinners into the local canal.

Twelve years on I have stopped feeling ashamed. Against England in the World Cup in Asia last week, Tim scored 41 and Klaas Jan 64. Now I can tell people about the day I scored 12 not out off Klaas Jan's bowling, and the ball of Tim's which I hit for three (not an edge - a firm pull to backward square leg).

Tim de Leede was the star of my generation. A doctor's son - most Dutch cricketers are upper middle class - he was good enough at football to have attracted Sparta Rotterdam, and better at cricket. He once batted left-handed against my team and hit several sixes. But he was always generous. Over lunch at a national squad training camp, he complained that he had been unable to hit a boy's off-spinners out of the

ground. The boy, a star himself, shone with pleasure.

Until last week, when I saw him hitting sixes against England and Pakistan, Klaas Jan impressed me less. In hindsight I can see that like Bradman, he did little that was fleshy but nothing that was wrong.

But he fell victim to the deadly serious side of Dutch cricket. Even at my club, which plays the equivalent of village cricket, the players turn up 1½ hours before the match to swivel their pupils in their eye-sockets and perform other performance-enhancing exercises.

Charged up, they storm on to the field and drop the simplest of catches. At VOC things were worse. Boudewijn enjoyed visiting discos and, as a cure, he was demoted to the third team. He did not respond well, and he is not in India this month.

Perhaps Eldert Frank will make the next World Cup. I first met Eldert - red-haired and freckled, distantly related to Anne - when I was 12 and he was nine. I bowled him an off-spinner in the nets that hit him in the stomach, and he cried.

Later he moved to Rotterdam. Now he bowls left-arm spin for the VOC first team and, come 2000, he could be taking England wickets.

Simon Kuper



Subaru's new Justy - keenly priced and Japanese standard

People who need four-wheel drive cars, as distinct from those who buy on-off road 4x4s as lifestyle accessories, have always thought well of the Subaru

range, writes Stuart Marshall. The Legend, with permanent all-wheel drive, is a proper countryman's estate. And the supermini-sized Justy, with

selectable front or four-wheel drive, has been the logical second car for families living in places where winters are snowy and driving conditions difficult.

The new Justy (pictured above) will be better still. It has a four-cylinder, 1.3-litre engine instead of a 1.2-litre, three-cylinder. Four-wheel drive is now permanently engaged, with tractive effort automatically allocated

between front and rear wheels according to road conditions. Power steering, driver's airbag, electrically adjustable door mirrors and anti-theft immobiliser are standard.

British sales have just started at £8,599 (three-door) and £9,000 (five-door). The new Justy is made (to Japanese standards) in a new Hungarian plant jointly owned with Suzuki.

Clever traffic busters

For some weeks I have been using two electronic motorising aids, a Philips Routefinder and a Trafficmaster. I am still not sure whether they are a great leap forward or an ingenuous complication.

Routefinder works out a detailed route from A to B; from Abergavenny to Bognor Regis, if you like. And Trafficmaster presents a visual report on the state of play on Britain's motorway network. Both have their uses - and limitations.

Routefinder is really a computer-age supplement to the motorway map. Press the right buttons and it displays on a tiny screen (70mm x 40mm, which is smaller than a credit card) details of a route, using or avoiding motorways as you wish; calculates fuel costs; and estimates your time of arrival.

Trafficmaster tells you on a 50mm x 65mm screen how well the traffic is flowing - or not - on motorways and the trunk roads. It zooms in for a detailed look; for example, the M25 can be viewed in four segments. The information is obtained by sensors on motorway bridges and is more accurate than radio traffic reports because it is updated every three minutes.

These devices are not cheap. Routefinder was launched at £199.95 but is now discounted. Trafficmaster costs £149.99 but will not work without a regular supply of electronic information keys at £10 a month (£110 a year).

All the information on Routefinder could be gleaned from a good map like Philip's (no relation to Routefinder's maker) peerless 1in/mile road atlas. When travelling alone, I plan a journey in advance; write the numbers of roads and motorway exits boldly on a piece of paper; and tape it to the fascia. It can be read virtually without my eyes leaving the road.

Only drivers with sight sharp enough to make out the microscopic writing on a modern car radio's buttons can hope to do this with a fascia-mounted Routefinder. Though a similarly sized Trafficmaster is better, it can be hard to read when driving into the sun. Computer-literate passengers will reckon a Routefinder is a great aid to navigation. Intelligence is only as good as the use to which it is put.

If I was heading for the M25 and Trafficmaster told me it was at a standstill between junctions 5 and 6, I would use the A25 instead. That is because I live nearby and know exactly how to pick up the motorway at junction 6. But suppose I was going north on M1 and, just after junction 29, Trafficmaster showed a jam had developed between junctions 30 and 31. Would I pull off at 30? If it were daylight and I had a large-scale road

'A 2005 car going on the blink hardly bears thinking about'

map to navigate by, I might. Or I could drive to the nearest village with a name sign and get Routefinder to find me an alternative route from there.

But on a wet night I would probably take a chance on the traffic moving again soon. Better than that risk getting lost, especially when one can always phone ahead by mobile to explain the delay.

What Routefinder and Trafficmaster should ideally be able to do is provide information by head-up (seen through the windscreen) display, computer-generated voice or a combination of both. Glancing down to fiddle with radio or heater controls already causes many accidents. Trying to read data off very small screens could too.

A solution to this problem is coming. Clever though they are, Routefinder and Trafficmaster must be overtaken soon by new technology. The Royal Automobile Club forecasts that 10 years hence, its members will be driving "smart" cars routinely equipped with space satellite-based automatic vehicle location and naviga-

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Stuart Marshall

TRAVEL

To stand and watch the windswept ice heave up and down in long rolling waves as the sea rose and fell under the frozen surface was a fascinating sight. It was also, well, a little scary. Why? Because I was standing on the ice, no more than 10cm thick, at least a kilometre from land.

My disconcert must have been apparent. "Ice is quite elastic," Anders Boysen called out. He turned and headed on over the snow-blasted Baltic. "Let's go out to the light-house," he said, gesturing eastwards where we could see a big ferry ploughing towards the open sea through the shipping lane.

Sound like masochistic madness? Not at all. What Anders, three other friends and I were engaged in on a Saturday in February was one of the great outdoors experiences of a Swedish winter: long-distance skating.

We were not alone. On our 20km trip around the islands that dot the coastal waters off Nyköping, south of Stockholm, we saw dozens of other skaters, gliding in groups across the frozen sea, many of them, like us, out for most of the day and in search of those glorious stretches of clear, smooth ice where a tailwind helps you fly over the surface at exhilarating speeds.

It is a sport that is growing in popularity. Unlike in the Netherlands, where the winters are seldom cold enough to allow the Dutch to indulge their passion for skating the canals, every year offers at least several weeks of skating - and up to three months in a good year. Lighter snowfalls in recent years and the low-tech, environmentally friendly nature of outdoor skating have led many Swedes to leave the ski-slopes and trails for the ice.

Conditions for skating tours are perfect in the area of east-central Sweden around Stockholm. Inland and further north there is too much snow on the lakes and sea. Further south, it is too mild. But around Stockholm an endless string of inland lakes and coastal archipelagos, combined with sub-zero temperatures and usually light to moderate snowfalls, provide hundreds of miles of skateable ice - in beautiful surroundings.

On Saturday, a strong wind and the threat of snow curbed our ambitions for a long skate from an outlying town back into Stockholm. But under the leadership of Boysen, an experienced skater with a canny eye for the state of the ice under our feet, we set out from the ice-bound dockside at Nyköping in mid-morning for a tour that was to last about four hours (including coffee-and-sandwich stops).

Embarking on such an outing is not something to be done lightly. Skating can be perilous, even for the experienced. More than 250 people have drowned in Sweden in the last 10



Falling blades: If you fall through the ice, turn back the way you came from and tread water

A novice in Norway

I tucked my camera into my rucksack and set off after my two companions. I was moving with increasing confidence now, one ski gliding easily after the other. Even downhill were no longer a worry and I gave the steepness of the path ahead hardly a glance as I hissed towards the gully.

It was my first time on cross-country skis and I felt like an old pro; and I fell like a novice, one ski sliding outwards just before the bend so that I came hurtling round the corner on my back, skidding uncontrollably over the icy snow. I finally came to a stop and as I struggled to bring some sort of order back I realised that three Norwegians were waiting to climb the hill.

"Are there any more persons to come round the corner like that?" the man asked with great seriousness, clearly fearful of being swept away in an avalanche of novice British cross-country skiers.

My fall took place at Feiring in Gudbrandsdalen to the north of Lillehammer in Norway.

The day had begun with the ritual of fitting skis and ski boots. The knowledge that the rest of the party had all skied before simply added to my growing apprehension.

But in the sure hands of Arnevin Lieu, our ski instructor, that fear was soon dispelled. He concentrated mainly on balance and I was soon limbing easily under crossed ski sticks and nonchalantly tossing snow balls back and forth to my partner as I slid along without a thought for my feet.

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BOOKS

It is rare nowadays to find virtually unstinted praise of British foreign policy, especially when related to Europe. Yet here it comes from Rory Muir, an Australian scholar who has meticulously combed the Wellington and other papers at the University of Southampton. The subject is Britain's role in the defeat of Napoleon in the period 1810-1815.

Muir is far too good a historian to put it down entirely to the brilliance of British diplomacy or, still less, the superiority of British military strategy. There are lots of "ifs" and "buts" along the way. There was always the element of chance. Other people made mistakes. Above all, if Napoleon had not over-reached himself by marching on Moscow in 1812, the Europe of the rest of the 19th century might have been very different.

Nevertheless, the story Muir tells is one of mounting British determination, perseverance and ultimate success. It started from a very low base. Britain had no continental allies while France, united under Napoleon, was becoming stronger

than ever. The primary British interests were to prevent French domination of the Low Countries and to preserve the balance of power in Europe. The initial British reaction was to fight in the Iberian peninsula. This was an irritant to Napoleon, but not lethal. As time went by, however, British persistence in the peninsula helped to persuade other European countries that the emperor could be checked and, after the retreat from Moscow, there was a concert of powers ready to bring him down. The final result was that after a generation of almost continuous war in Europe, there was then a generation of almost continuous peace.

Muir is also too pure a historian to make comparisons with

BRITAIN AND THE DEFEAT OF NAPOLEON 1807-1815
by Rory Muir
Yale University Press £29.95.
384 pages

what happened afterwards: yet the reader need have no such restraint. There are all sorts of similarities, the most obvious of which is that Hitler made the same mistake as Napoleon in fighting on too many fronts at once. Napoleon and the Tsar had once been allies, just like Hitler and Stalin.

But there are similarities, too, in the peace-making process. The common enemy then, and the most powerful country in Europe, was France, not

Germany. Once France was defeated, however, there was no great desire to humiliate it. Instead the aim was to restore it as a great power among several. France, for example, could become useful in preventing the rise of too strong a power in central Europe, and there were already fears of the rise of Russia.

Indeed the Treaty of Chambord, signed in 1814, bears some remarkable resemblances to the Nato Treaty signed well over 100 years later. It was a system of collective defence seeking to guarantee the signatures against French aggression and promising mutual assistance.

One can also use the 1807-1815 period to show how essential it is for Britain to

maintain a close involvement in European affairs. Neutrality was not an option in the face of a potentially united continent, especially as the US, with which Britain was briefly at war, favoured the continental. (In foretaste of later superpower status, Moscow actually offered to mediate between London and Washington.)

But the British involvement did not come cheaply. Muir estimates that there were up to 60,000 British deaths in the peninsula alone. The financial costs mounted steadily. In 1807 the national debt was £615m; by 1815 it was £834m - or £43 for every man, woman and child in Britain and Ireland.

Still, the war remained popular, at least acceptable, at home and the final victory at

Waterloo gave Britain a self-confidence which lasted almost a century, indeed until the events on the Somme in the first world war.

Apart from the poor bloody infantry, the main heroes were the Duke of Wellington who kept the peninsula war going before moving on to greater triumphs, and the foreign minister, Castlereagh, who was responsible for much of the diplomacy, yet there was also an unusually steady set of ministers in London. Muir singles out Lord Bathurst at the war department who has received barely a column in the *Dictionary of National Biography*.

The book contains some delightful anecdotes. Who now remembers that after Napoleon had escaped from Elba and been recaptured, Castlereagh (of all people) suggested that he should be detained in a fortress in Scotland? Lord Liverpool, for once, turned him down.

Malcolm Rutherford

Lost treasure restored

Syria Plath, one of the last writers you would associate with jolly infants' stories, has had a surprisingly successful posthumous career in children's publishing. In 1976 Faber brought out her long poem, *The Bed Book*, to great acclaim and now her papers have yielded up another treasure. *The It-Doesn't-Matter Suit*, a wise and witty story, set in Plath's father's homeland of Bavaria, about a little boy, seven years old and with rather too many brothers, who longs for an "All-Year-Round" suit.

It seems that Max Nix's wish is destined to remain unfulfilled, until a huge parcel arrives in the post. Nobody knows who it is for nor where it comes from but inside is a wonderful "woolly whisky, brand-new, mustard yellow suit". One by one each of Max's six handsome older brothers tries on the suit, imagining himself wearing it as he goes about his daily business and then reluctantly deciding that he is too grown-up for such a flamboyant

THE IT-DOESN'T-MATTER SUIT
by Sylvia Plath
Faber £8.99. 41 pages

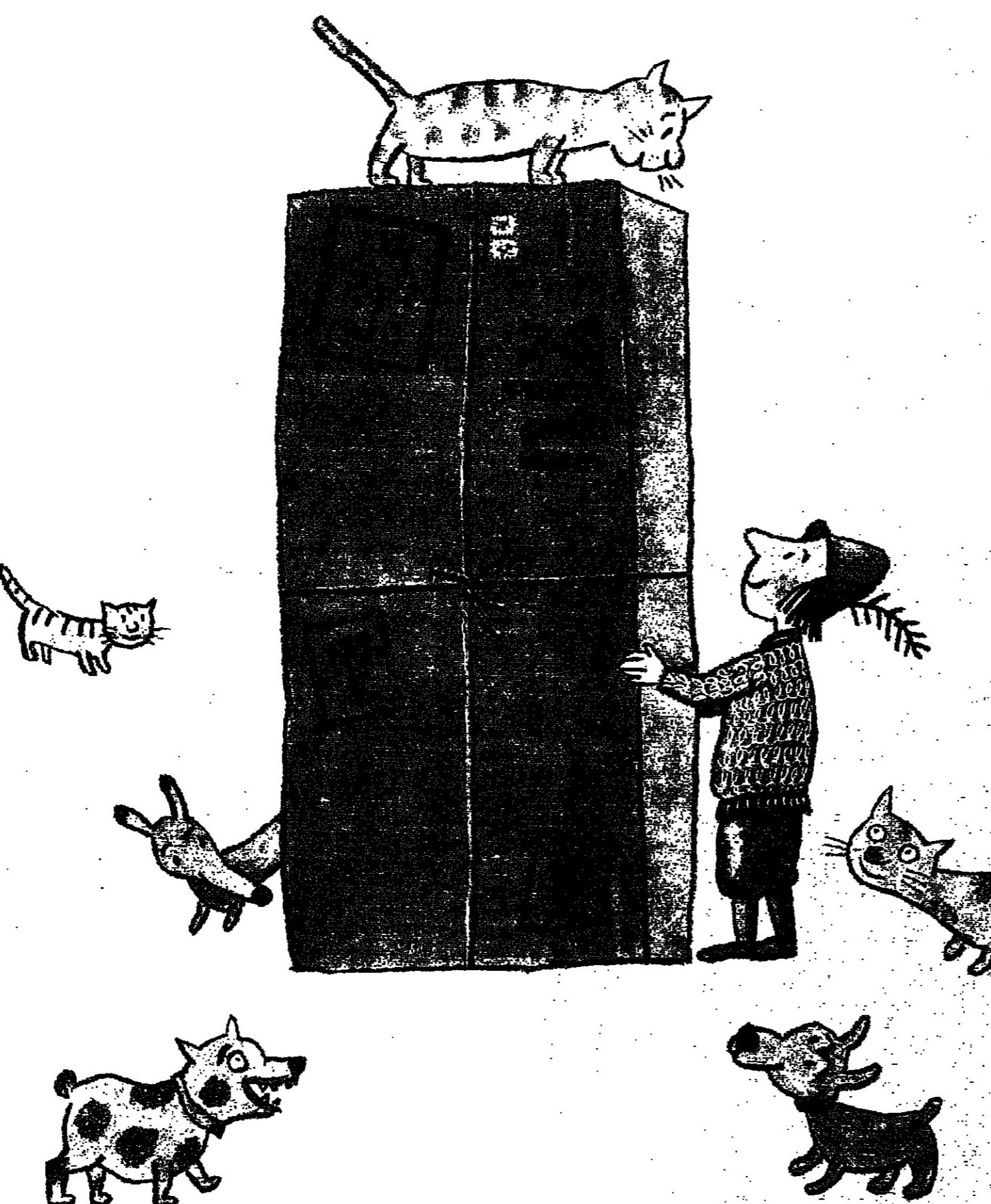
piece of clothing. Eventually Mama Nix, a dab-hand at sewing, has made so many nips and tucks in the material that there is not much of the original stuff left - just enough perhaps to fit a seven-year-old boy.

Max wears the suit with pride - so it doesn't matter that no one in his village has seen anything like it before, and because the suit is so thick and yellow it doesn't matter when Max falls into a snowdrift or gets covered in straw while milking the cows. Before long Max has become something of a local hero, envied by his schoolfriends and cooed over by the villagers who follow him around, gossiping about his sartorial style.

Plath wrote *The It-Doesn't-Matter Suit* almost 40 years ago, just four years before her suicide in 1963, but it has a freshness and sense of suspense about it - enhanced by Rotraut Susanne Berner's cheerful illustrations - that will intrigue even today's sophisticated children. Adult readers, on the other hand, will have fun marvelling at the lost treasures it contains within its pages: a mother who stays at home sewing, fox hunters unopposed by animal rights activists and a small boy who would rather own a suit than a pair of Nike trainers.

Carolyn Hart

A 40-year-old children's story by Sylvia Plath is cheerfully enhanced by Rotraut Susanne Berner's illustrations



Following a visit to China in the late 1950s during the Great Leap Forward the American journalist Edgar Snow rejected reports of rural famine, yet nowadays the consensus is that 30m died.

The fact that the famine in the Soviet Ukraine was similarly denied by westerners in 1932-33 highlights the ease with which intelligent observers participate in propaganda.

Many other China watchers reiterated Snow's conclusions, even as the tragedy was being reported in the American press. Eager for communist success they were blind to its failures, and the picture of reality they presented was thereby culpably flawed.

John Gittings first visited China in 1971 during the Cultural Revolution, a movement which received widespread popular support in the west,

A great leap backwards

Susan Whitfield on a nostalgic but informed account of modern China

renewing hopes in the potential of communism. Again, it was years before many academics and journalists could bring themselves to admit that their hopes had been badly misplaced and that the real "China" they had presented was another piece of Chinese propaganda.

Western journalism almost invariably follows debate in China, which itself is government-led. In the late 1970s the Cultural Revolution had become a byword for excess, for the unsavoury results of anarchy. It was viewed as one of Mao Zedong's mistakes, yet which had moved beyond his control. The following decade saw the theme treated in film and literature with increasing confidence.

But, 20 years on, another "reality" is emerging. Red Guards, tired of being portrayed as villains of the piece, have started to challenge the image of a society in chaos. And, following this up, a western scholar recently

argued, rather convincingly, that the Cultural Revolution was a well-orchestrated and state-controlled political purge, identical in most ways to Stalin's reign of terror, even down to the methods of torture.

The China presented today by party-cadres-turned-entrepreneurs is of a rapidly urbanising country outgrowing communism and its peasant past. Gittings is concerned to counter this, giving snapshots of a very different country where peasant culture, superstition and poverty persist, and where corruption is on the increase. This is the China he recognises as enduring over the past 25 years. It is the hinterland where the certainties of communism no longer exist, yet where the advantages of capitalism have not, and, he argues, may never reach.

He gives succinct and clear accounts of issues such as the debate on the Three-Gorges Dam and the growth of Christianity. But the book also explores the over-riding concern of bureaucracy to protect itself rather than pursue corruption within its ranks and the authorities' fear of peasant and workers in a system still calling itself a people's government.

An example of the former was seen in the recent television

REAL CHINA: FROM CANNIBALISM TO KARAOKE
by John Gittings
Simon & Schuster £15.99.
311 pages

documentary on a Shanghai orphanage. The doctor who had brought the charges of abuse was sacked and forced to flee the country, while those condemned in the official report are even now in high positions in the Shanghai government. To illustrate the latter, Gittings reports cases of peasants who dared to challenge the legality of the imposition of prohibitive taxes and

is a banality, but orientalism has long misled by denying it and over-emphasising differences. Cannibalism occurred in China, as it did in all cultures including western Europe, among soldiers (who ate parts of their enemy to gain power or show contempt) and in times of severe famine.

Gittings recounts the research of a Chinese scholar on cannibalism in a village in Guangxi Province to illustrate both the excesses of the Cultural Revolution and the backwardness of that part of rural China, but in devoting a whole chapter to what was, after all, a local problem, he risks distorting his picture. Perhaps this is a reflection of the frustration of spending his life covering a country which offers scant information yet enormous complexity.

Gittings's account is an affectionate but slightly nostalgic view of what China may have been and his perception and his long experience make this a book well worth reading. He is not sanguine about China's chances of achieving anything more than Third World extremes of repression, poverty and corruption, but perhaps this is inevitable; after all, China is not special.

Technology and the super-natural coincide to produce a grotesque vision. The hero of the title story witnesses a family of ghosts compelled to react their mass murder before he is murdered himself. In "Offloading for Mrs Schwartz" a man downloads his memory and sells it to a school as a teaching aid. All are related with wit and

invention. But while their protagonists are guilty and miserable souls, these stories are not without tenderness. "Bounty", with which the collection ends, sympathetically describes a man's journey across America to rescue his sister.

In *A Stranger in this World* (Viking £13.50, 180 pages) Kevin Canty's dark and atmospheric stories are set in a violent and joyless present. Canty lacks irony and seems rather to abandon himself to nihilistic gloom: "Something needed to happen. Wreckage would suit him as well as anything else." Sex for his characters is a compulsion rather than a pleasure. A stoned, apathetic lifeguard full of useless anger is one of Canty's more tangible characters.

Gini Kamani lives in the US but was born in India, and it is there that most of her stories in *Jungle Girl* are set (Weidenfeld & Nicolson £14.99, 185 pages). A wry observer of social hierarchies, Kamani writes about domestic relations, families and servants, sending up her characters without a hint of superiority. Her accounts of sexual awakenings are alternatively funny and obscene, ranging from the naughty schoolgirls of "Lucky Dip" to explicit details of a girl's encounters with a servant and a doctor. Fluently written, *Jungle Girl* brims with life and generosity.

Brought up in Pakistan, Shabruki Husain lives in London, and *Women who Wear the Breeches: Delicious and Dangerous Tales* (Virago £12.99, 267 pages) belongs to a British tradition which has thrived, care of Virago, since Angela Carter. I confess my heart sank at the volume's introduction, which so clearly sets out its cross-dressing agenda. In the event I succumbed to the charms of talking horses and ogre-slaying princesses without a struggle. Husain's touch is light, her enthusiasm for the stories infectious. And while her point is at times overstated, there is something refreshing in the legend of Mary Ambree who rejected a prince and decided to live a spinster.

The great fossil hunt

The cleverest people are clever enough not to tell you how clever they are. They just get on with doing interesting. Stephen Jay Gould, the popular paleontologist from Harvard, comes perilously close to failing this test. In his seventh book of essays, Gould is an acknowledged master of the modern scientific essay, and he knows it. He has been writing monthly for 20 years on evolutionary biology, displaying a broad liberal mind, wit and impressive scholarship. And he can capture the excitement of scientific enquiry at full gallop.

The obscure fossils become clues in a gripping story of intellectual suspense about the grand mysteries of nature. He showed this talent in his prize-winning book, *Wonderful Life*, an exciting account of how a large fossil find in the Burgess shale in the Canadian Rockies at the beginning of this century was re-evaluated.

Despite its deserved success, the odd structure of this book showed that Gould's natural habitat is the essay. His first volume (*Ever Since Darwin*, 1977) had a freshness and attack that later efforts have not always achieved. What fun it was to join Gould then, slaying giants alive or dead, laughing gaily at every paradox as he pierced another false argument to the heart.

He could be generous to his foes, especially when the reader was safely tied up in his conclusion. Darwin was right - but in what strange ways; with what apparent contradictions; and with such dissension among his followers. These themes were pursued from broad generality to the oddest detail in a way which made evolutionary biology entertaining and accessible.

It is a pity, therefore, that he is becoming rather grandiose. In the preface of his latest collection, he compares himself unashamedly with Montaigne and boasts of his intellectual prowess in a phrase worthy of Jane Austen's Mr Collins: "I did receive one great gift from nature's preeminent goddess. Fortuna - a happy conjunction of my own hypertrophy with maximal utility in a central professional activity." Yes, he has a good memory, and as he further informs us, a knack of

Max Wilkinson

Short Stories/Susanna Rustin

Looking to their roots

David Guterson's first novel, *Snow Falling on Cedars*, sold 200,000 copies in the UK last year and grossed more than £1m. Now his first collection of short stories, *The Country Ahead of Us*, *The Country Behind*, published in the US several years ago, has arrived in the UK (Bloomsbury £5.99, 181 pages). Emotionally charged and intensely atmospheric, these are boys' stories about growing up. Most are set in the great American outdoors: fathers and brothers hunt, fish and play basketball.

In "Opening Day", a man on a shooting expedition finds himself caught between the enthusiasm of his son and the reluctance of his father. A young man cries when asked by his brother if he killed anyone in Vietnam in "Wood Grouse on a High Promontory Overlooking Canada". Set against the backdrop of a middle American home complete with hot tub and intercom, "Piranhas" is memorable for its graphic dramatisation of a 12-year-old's hatred for his parents. Written with compassionate intelligence, Guterson's stories make instructive reading for times of severe famine.

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All are related with wit and

J. P. G. J. S.

great hunt

ARTS

Michael Coveney, better known for his barbed and fiercely individual theatre criticism, is making quite a reputation for himself as a chronicler of the theatre's great and good including Maggie Smith and the late Robert Stephens. The newest addition to his stable is a welcome tribute to the unique work and world of Mike Leigh. Coveney is, though, tackling much trickier territory with such an ambivalent and complicated character.

Leigh is known in this country largely through the success of *Abigail's Party*, the comedy of grotesque 1980s manners which launched the career of his actress wife, Alison Steadman. Many other actors have been made popular through Leigh's work, including Jane Horrocks in *Life Is Sweet* and David Thewlis in the dark and brooding film *Naked*. His work is an acquired taste for the casual film or theatregoer. But when he hits the mark, as he did with *Naked*, his vision is distinctive, painfully funny and unmistakably British.

Leigh hates the word

Maverick director made good

Lou Stein on a spirited defence of the off-beat work of Mike Leigh

improvisation, although he begins his projects with no script, no outline and no pre-conceived story structure. His method depends on the casting of an ensemble of game actors who research and develop a character based on someone they know. They then throw themselves

THE WORLD ACCORDING TO MIKE LEIGH
by Michael Coveney
Harper Collins £18, 288 pages

into a rigorous rehearsal process of observation and discussion which can take months. Putty in Leigh's hands, the character-immersed actors are thrown into a developed sequence of simple situations: "Wendy confronts Nicola"; "John and Sophie meet"; "Lorraine and Billy go to bed" and so on. The real improvisation emerges from the way Leigh playfully manipulates

the characters to arrive at a finished film or play.

In *The World According to Mike Leigh*, Coveney tries to give an understanding of how the off-beat and uncompromising theatre director became a British film legend in the making who manages to keep control of his own films and direct McDonald's ads with equal autonomy. Coveney's purpose is clear: he reverently builds a case for Leigh as a great "maverick artist" of theatre and film whose genius should be unquestioned.

The book begins in Soho with the first cast and crew get-together for Leigh's latest film ("Untitled '95") and ends in Chingford two weeks into the filming. In between is a cleverly constructed picture of Leigh's artistic and personal life from boyhood in a Jewish *Habonim* family in Salford, through formative bohemian years as an



Mike Leigh: acquired taste

actor and director of theatre on the 1960s fringe to his development as a mature *cuteur* of the 1990s. Coveney writes about Leigh's middle-class Jewish background and builds an affecting picture of

the director's inability to come to terms with it in his youth. The rejection of his roots is shown to be an inextricable part of his personal contradictions and creative drive.

There is a marvellous point in the book when this theme pays off. While he is working in an Australian drama school in the mid-1980s, he learns of his father's death. Thoughts of his inability to get close to his father while he was alive prompt Leigh to go on a soulful trip to China. He disappears into a strange culture which helps him come to an understanding of his own alienation and despair. Leigh's crisis with his work, his family and his background comes to a moving psychological climax.

However, Coveney's personal picture is sometimes obscured by overly zealous accounts of Leigh's major and minor works including a relentless defence of Leigh's view

Duality reality

Marjorie Garber has had a vision of bisexuality. Or rather she has discovered a mathematical diagram which, she believes, will enable us to understand the psychic experience of swinging from one side of the sexual pendulum to the other and back again – or not. No wonder the book jacket excitedly and misguidedly talks up her weighty tome as "trail-blazing and guaranteed to challenge everyone's preconceptions about love, desire, sex, gender and identity."

Professor Garber's visionary diagram is the Möbius strip – a surface having only one side and one edge. This envisioning strikes me as both pompous and absurd. Even a metaphoric connection between the strip and the bisexual person is hard to glean. It elucidates nothing. But Garber's imagining is characteristic of her attempt to endow bisexuality with pristine significance.

For it is *Vice Versa*'s governing conviction that bisexuals are devastating saboteurs of false values. They should not, she eloquently insists, be categorised as transients who cannot make up their minds, who aimlessly respond to calls of nature from both sides of the fence. They apparently blaze a trial to the sexual landscape in which we all truly belong.

For Garber "suspects" bisexuality "undoes sexual orientation as a category, threatens and challenges the easy binaries of straight and gay... and even through its biological and physiological meanings, the gender categories of male and female."

This breathtaking constructionist view of sexuality sees it as culturally conditioned and arranged. It harks back to the 16th century when, for example, homosexuality was not recognised as an identity and buggery was reckoned a chronic depravity to which everyone might succumb. In another, unfortunate word – and Garber uses it – sexuality is "fluid" not

VICE VERSA
by Marjorie Garber
Hamish Hamilton £25, 606 pages

"fixed", a "narrative" that people make up as they go along their lives.

There is obviously some sense in avoiding a rigid taxonomy of sexual orientation by which people are supposed to exist. It is quite legitimate to argue that there is no such firm thing, for example, as heterosexuality – just a series of sexual acts and the deep cultural behaviours closely associated with them. But the very word orientation – "determination of one's position in relation to circumstances" – hardly denotes a fixity. And an attempt to challenge the fact of gender categories on the basis of the human capacity – whether activated or not – to behave bisexual is something far more sweeping. Does biology have no validating function? Is gender – with its defining bits and pieces – merely a myth or mistake? No surprise then that the author, a professor of English at Harvard, attempts her iconoclastic mission fitfully and does not manage to fulfil it.

The book's main function is to cast a very roving eye over the insufficiently recognised or disclosed history and culture of bisexuality and its important role in literature and life. The prevailing academic tone and rather rambling narrative is sometimes curiously relaxed as Garber plunges into the world of television confession programmes and controversial magazine articles where assorted Americans happily confess the pleasures and pains of bisexuality.

Freud, to whom Garber pays close, provocative and critical attention, wrestled continually with the "conundrum" of bisexuality, the fact of the bisexual potential residing in all human kind. *Vice Versa*, at a stroke, solves the conundrum. Garber's act of supposed liberation is to suggest that it is a mode by which one can live in happiness and fulfillment.

That of course can be true. It depends on many circumstances. But her book would be more bracing if it more rigorously considered how a world in which bisexuality was commonplace would and should change our existence, supposedly monogamous marriage and family relations. Instead Garber treads a not unfamiliar literary path ranging from Tiresias in ancient Greece to bisexual bohemians and artists in London and New York before the second world war. The real and the fictional – Tennessee Williams's football hero in *Cat on a Hot Tin Roof* and a bisexual stricken Mormon in Tony Kushner's *Angels in America* jostle more than a touch randomly with Vita Sackville-West, Harold Nicolson and Virginia Woolf putting a different complexion upon married existence.

All bisexual life is here, or almost. That is Garber's insistent point. Those who have been described as sexuality's chronic undecideds, whose lives have been misrepresented and misappropriated, are in fact true to all of us. They engage in those diverse sexual regions where the timorous fear to tread but could if only we would. They are our future. That is the author's huge simplicity, and it is not new, despite the comprehensive survey of the terrain.

Nicholas de Jongh

Art, sex and the unmasking of a perfect Victorian

His heroes may reflect his existential angst, but Mann was a bourgeois family man at heart argues Jackie Wullschlager

Thomas Mann was a sober, bourgeois German who married, had six children, wrote a famous novel (*Buddenbrooks*) and an even more famous short story (*Death in Venice*), and won the Nobel Prize. Bizarrely, this respectable and rather dull life has proved an irresistible draw to modern biographers: this is the third account of Mann to appear in six months. What were his magic attractions?

Mann would have been amazed, but the answers are art and sex. On the former, he embodies our century's idea of the alienated弄人 who chose to suffer in order to create. "The fact remains that healthy, strong emotion is always insipid", he said. "An artist is done for as soon as he becomes human and begins to feel". In his introspection, his dedication to his craft and his exile from Germany on account of it, he is one of the first examples of anguished modernism.

On sex, by contrast, Mann was not modern at all – and that is the other half of his appeal. Born in

THOMAS MANN
by Ronald Hayman
Bloomsbury £20, 672 pages

1875 in Lübeck and formed by the 19th-century German culture of mercantile propriety, Mann is for English readers the perfect Victorian – an waiting-to-be-unmasked. He had sexual secrets, a diary whose titillating thoughts bore no relation to his outer life, and so he is a target for contemporary knowingness to gloat over 19th-century hypocrisy and repression. Hayman does this with aplomb: the mix of vulgar prejudice and sensitive appreciation here is a reminder of how close literary biography is to tabloid expose.

First, Mann the artist. *Buddenbrooks* says Hayman cleverly, was a hit by being a novel about decadence which was not itself decadent. Recounting the decay of his own family, Mann fixed the decline of the European bourgeoisie, conveying an exceptional sense of "bourgeois patrician dignity": the dignity that derives from the slow movement of solid wealth". Published in 1901, the book made Mann famous at 25. It caught the mood of the new century and sold 1.3m copies – the most popular novel in pre-Hitler Europe apart from *All Quiet on the Western Front*.

Hayman makes a convincing case for Mann as "the last great European man of letters". Not only did his fiction reach the sort of mass audience that today television alone commands; he spoke to that audience in a way that television cannot do, for "there can be no visual co-efficient to the sophisticated self-consciousness of Thomas's heroes... their links with society and the pressures on their psychic integrity".

Hayman in *Buddenbrooks*, Tonio Kroger, Aschenbach in *Death in Venice*, are all versions of Mann in his existential angst. So are the patients in the sanatorium in *The Magic Mountain*, which Hayman perceptively compares with *A la Recherche du Temps Perdu*: both are high points of modernism which would have been neither so good



A feast day in Collesano, Sicily, in 1990: photographed by Giuseppe Leone, who runs a photographer's shop on the island, taking pictures of rites of passage, weddings, family parties and public celebrations. Born in Ragusa, Sicily, in 1938, Leone is regarded as one of Italy's leading photographers. His pictures are the subject of "The Island of Sicilians" (Dewi Lewis Publishing £25, 115 pages), which includes a text by the critic Diego Marmorato.

Magic in the shade of the bomb

Jon Turney explores religion, ritual and particle physics in New Mexico

The arid, mountainous landscapes of New Mexico are a superb vantage point for anyone who wants to sample the ways humans try and make sense of their world. Here, three cultures, Indian, Anglo and Hispanic, are still evolving side by side. Here, too, the upstart cultures of science are reshaping all our perceptions, from the atomic physicists' playground at Los Alamos and through the cool, computer-driven modelling of the newly-fashional Santa Fe Institute.

This beguiling book is a tour of the country there, and of its belief systems. George Johnson, a New York Times science writer, has written an unusual popular science cum-travel book. It sounds an uneasy combination, but it works.

It works largely because of the breadth of his sympathies, and his insistence that the inquiry which guides his journey really matters: who has the best answers, Catholics or complexity theorists, the physicists charting the dance of invisible particles or the Indians dancing to keep the universe in place?

All of them, he shows, have invested heavily in their own maps of reality. And all are subject to similar temptations to confuse the map with the territory, to underestimate the limits to their understand-

ing: all are finite creatures contemplating the infinite. There can be no doubt whose system produces superior practical results. The atomic bombs built at Los Alamos worked in a way that no Indian magic ever could. Yet he hesitates before concluding that this means the physicists have better access to ultimate reality. They have no more guarantee that their brains have evolved to comprehend what is actually there than their non-scientific predecessors. They, too, are stretching the grid of their particular order over an often confusing landscape, but are they seeing more order than is actually there?

In this vein, Johnson offers lucid outlines of the scientific views, from geology, cosmology, quantum theory and particle physics, emphasising the chains of inference and assumption on which each inevitably rests. Rocks are dated from other rocks. Stars and galaxies are placed by measuring the distance to other stars. Particles are proposed to fill a gap in the equations, then conjured up in the bowels of accelerators which register their presence as flashes of light in a detector built to see just them. All are made to fit inside theories which define some information as relevant, some not. Being a scientist means being able to tell signal from noise.

These penetrating reflections on how science now operates are interspersed with visits to those who see the world in other terms, drawn from other maps. Most vividly, he reports on the world as seen by the Tewa Indians, who have preserved their stories about the origins and structure of the universe in the face of Spanish Catholics, American anthropologists, and modern materialism. Today, they are likely to work as support staff at Los Alamos, all are finite creatures contemplating the infinite. There can be no doubt whose system produces superior practical results. The atomic bombs built at Los Alamos worked in a way that no Indian magic ever could. Yet he hesitates before concluding that this means the physicists have better access to ultimate reality. They have no more guarantee that their brains have evolved to comprehend what is actually there than their non-scientific predecessors. They, too, are stretching the grid of their particular order over an often confusing landscape, but are they seeing more order than is actually there?

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ARTS

Artistic affair with the silver screen

William Packer is intrigued by 'Spellbound' at the Hayward Gallery

It is always good to have one's worst expectations confounded. Reading the list of contributors to *Spellbound - Art & Film*, one might well have thought that here, yet again, was to be another Hayward Gallery farago of trendy modernism to keep the letters columns full and the galleries empty until mid-summer. But in the event it turns out rather well.

The *mise-en-scène* helps. With its succession of discrete spaces, Black-out alternates with light, the moving image with the still, the physical and actual with the shadow. The good along with the bad, we can take it or leave it, and move on.

The reason for so tolerable a success is not hard to fathom, and might well be pondered by our more narrowly orthodox avant-garde. Here indeed we have artists addressing film, but where appropriate it is not with film as art but with film as film.

Their work engages directly with the aesthetic of film and not with those of the plastic arts. The consequence is that the false or inappropriate aesthetic falls away, and with it all the attendant frustration and irritation with bogus claims and misplaced effort.

The point is made most effectively at the show's extremes, that is to say with painting and sculptural installation on the one hand, and with pure film on the other. Paula Rego, the sole painter included, is showing a group of large pastel drawings, the pigment almost as rich and thick as oil paint, which deal variously with her long-standing devotion to Walt Disney's *Fantasia*, *Snow White* and *Pinocchio*. These are powerful and remarkably well-sustained figure compositions, their connection with the stimulus of film direct and obvious.

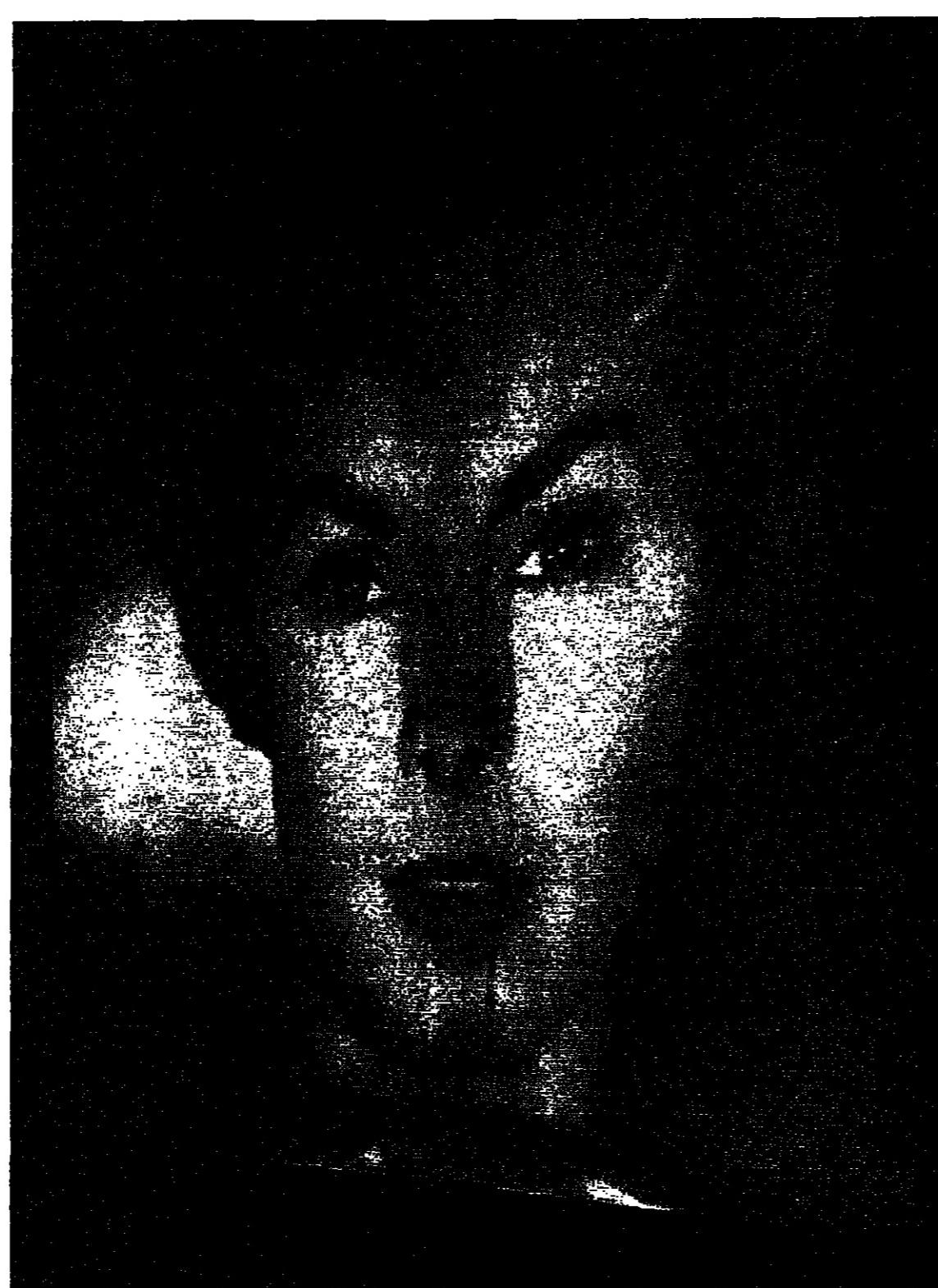
At the far end of the same gallery, Eduardo Paolozzi offers a sculptural installation, a vast tableau-cum-stage-set full of studio oddments, scraps of old sculpture, old models, furniture, packing cases, memorabilia. Pure junk. The disembodied head of the Tin Man from *The Wizard of Oz* does in a corner. It is altogether a personal scrap-book, an evocation and tribute to a life-long obsession with film, in

all its infinite capacity to fill the imagination with half-familiar, half-forgotten images. Again the connection, the reference, is clear enough.

At the other extreme is Damien Hirst, who has made a film, *Hanging Around*, a proper film with a script of sorts and a beginning, a middle and, I assume, an end. And again, being a proper film, albeit only 20 minutes long, it stands or falls as a film. Hirst has always had a gift for narrative, of a macabre, grand guignol sort, and for me the more successful of his works have always been the more truly theatrical, as opposed to merely shocking, in that they introduce an actual element of time - the butterflies living out their natural span; the rotting meat, the maggots, the flies and the fly-killer, the rats rustling in the cage as music and light rise and fall together. For him to move on now into film-direction seems natural, and this is a fair first effort.

In between we have the rest, good, bad and indifferent. Steve McQueen's portentous eight minutes' worth of heaving bosom, as white woman and black man drift silently towards each other along a wall, almost but not quite, would be even less compelling than it is were it not screened 20 feet high. On the other hand, the huge screen with which Douglas Gordon greets our entry, *24 Hour Psycho* with Janet Leigh ticking exclusively away in tantalising slow-motion, frame by frame, makes of the portentous a positive virtue, just as it celebrates a true masterpiece of cinema.

Peter Greenaway no doubt considers himself by now a masterpiece of cinema, and his huge self-celebratory installation, *In the Dark*, with its bullying and ear-splitting sound-track and its densely convoluted programme, is at once intensely irritating and off-putting, and rather intriguing, damn it. Real people, "A cast of actors", are sitting in a row of raised glass cabinets, and each day throughout the run of the show, that cast is to be changed - one day "a cast of actors with natural red hair", another "actors who have played a murderer", "actresses who have played Juliet", "a cast of typecast heavies", "actors dressed identically",



Janet Leigh in '24 Hour Psycho', Douglas Gordon's slow-motion tribute to a cinematic masterpiece

and so the long months wear on.

Each day's newspapers are to be set out successively upon glass trestles. And up and down the room on long low tables are set out, one for each day, a set of props appropriate to a particular theme or circumstance in some un-named drama - the setting

becomes a ballroom, the room of a

1950s undergraduate, a casino. Do we take such stuff seriously? Of course.

Then there are Ridley Scott's animation sequences and story-boards for *Alien* and *Blade Runner*, Boyd Webb's animated film of the secret life of an escaped popcorn, Fiona Ban-

ner's canvas covered entirely in her hand-written response to *Apocalypse Now*, and Terry Gilliam's wall of filing cabinets. Go and see for yourself.

Spellbound - Art & Film: Hayward Gallery, South Bank Centre SE1, until May 6.

Karajan's king-in-waiting quits

As his 'Figaro' is hailed in Zurich, Nikolaus Harnoncourt withdraws from Salzburg. Andrew Clark reports

The big talking point at the Salzburg festival last summer was Nikolaus Harnoncourt's conducting of *Le nozze di Figaro* - slow, perverse and full of pregnant pauses. The current talking point at the Zurich Opera House is Harnoncourt's fresh, coherent interpretation of the same work. But even that has been overshadowed by the news that he has withdrawn from the *Figaro* revival at Salzburg this summer, and is severing all links with the festival.

The announcement has hit the festival management like a bombshell. Harnoncourt was the lynchpin of Gérard Mortier's reforms, the musical symbol of the post-Karajan era. Whatever else went on at the festival, and however much one disputed Harnoncourt's judgment from one work to the next, he offered Salzburg a bedrock of integrity. His *Missa Solemnis* in 1992 and Beethoven symphony cycle in 1994 set new interpretative markers for the festival. Here was a man who could challenge the cosy certainties of Salzburg's past, and carve a fresh identity for the future.

No one gives up Salzburg lightly. Least of all the man long regarded as king-in-waiting. Harnoncourt, who is 66, underwent stomach surgery last autumn, and used the lay-off to examine his priorities. He decided that the festival did not match his artistic needs and interests. In his resignation letter, he referred to the lost ideals of "our Salzburg project", saying Mortier had been unable to create a coherent musical programme or clarify the role Harnoncourt should play in it. He said last summer's *La traviata* had "soiled the festival's production policy", and complained that the festival's three auditoria were "acoustically and ideologically" flawed.

Several other factors influenced his decision, notably the way some of his casting wishes were not fulfilled. Harnoncourt insists personal animosities played no part, and that his withdrawal is not a protest. He simply feels uncomfortable with the ethos of a festival where so many compromises are necessary. Unlike the conductors who have been engaged to replace him, Harnoncourt does not need Salzburg for his career. And Salzburg will be a lesser place without him.

A municipal theatre operates on a different premise to a festival - which explains why Harnoncourt is happy to work in Zurich. The Opera House has the ideal size and acoustic for the repertoire he likes to conduct. In his Austrian companion Alexander Perera, he has a theatre manager who

gives him virtually *carte blanche*. And no one could mistake the clear line of development which Harnoncourt's work in Zurich has taken since the late 1970s. First came an internationally acclaimed Monteverdi cycle, then Mozart. Zurich has also had the benefit of his thoughts on *Fidelio* and *Freischütz*, and next season he will

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conduct *Aida*. Harnoncourt makes sure there is a reason for everything he does, and no one is left doubting it.

Figaro, the start of a new Mozart cycle in Zurich, offers a fascinating counterpoint to all that went on in Salzburg last summer. Unlike the Chamber Orchestra of Europe, which played Mozart's score like a band of operatic virgins, the Zurich orchestra contributes to the seasoned character of the performance. Tempi are faster and the pauses less disruptive. It is a

quieter reading than the last Zurich production, and all the voices in the orchestra are made to tell. Illness seems to have mellowed Harnoncourt - and yet he still makes us listen to the music as if for the first time.

He has the benefit of a much more intelligent staging than in Salzburg.

Jürgen Flimm, director of Hamburg's Thalia Theater and now a regular Harnoncourt collaborator, is interested less in social distinctions than in personal relationships. This Almaviva household is one where power is a form of intrigue, where "Voi che sapete" becomes a blatant song of seduction and "Dove sono" an expression of emotional isolation. The recitatives may be dull and the dance routines irritatingly contrived, but Flimm handles the comedy and erotic charge with a refinement rare among German producers.

Erich Wunder's decor captures a mood of fractured realism. Act 1 takes

place in a disused ballroom, the buckled floor of which forces everyone to stumble among buckets, paint-pots and ladders. The Countess's marble bedstead, tucked into a corner of the stage, casts an unusually intimate perspective on Act 2 - after which Wunder's imagination gets the better of him. Act 3 is set amid the debris of a derelict patio - complete with mod-

ern deckchairs and umbrellas - and the finale is upstaged by a constantly unfurling backlog of grubby Spanish landscapes. Florence von Gerkan's costumes follow the same path as Wunder's sets, in their attempt to capture the style of the period through a modern filter.

The youthful homogeneity of the cast makes this *Figaro* an unusually true-to-life theatre of emotions. Despite an occasional shortage of power, Rodney Gilfry's Count is a sympathetic portrait of a man outmanoeuvred from the start - not so much philandering tyrant as victim of wounded pride. Thanks to his aristocratic carriage and confident singing, this is one of Gilfry's most convincing roles. As Figaro and Susanna, Carlos Chausson and Isabel Rey give respectable performances, without developing distinctive personalities. Lillian Nichiteanu is the plump, pubescent Cherubino, Eve Mei an overperformed Countess. Whatever its weaknesses, the Zurich *Figaro* keeps the audience guessing until the end - and leaves it to ponder afterwards.

Further performances: March 8, 10,

17, 29 and 31. Nikolai Harnoncourt

conducts the Vienna Concertus Musici

at London's Barbican Centre on

Monday.

His penis defiantly. Under such pressure, Daniel consents to smoke again. Pintilje shoots Takic anyway.

But Daniel finds that his daughter has died. He is convinced that she died because he took up smoking again. No, Cathy informs him, she died several days earlier. Daniel is now so nato that he cannot leave the Balkans. In the final scene he is back with the old man (et al), who convinces him by telling him that a slice of cake is all created being".

The *Ends of the Earth* is, in part, about a Romantic dichotomy between civilised British society and the beautiful, but perilous, wildness of the Balkans. But this theme, like everything else, is expressed with an utterable banality. Better though Daniel is, Lan's play is more so. Andrei Serban's direction keeps things busy but baffling. Pathetically stuck in the role of Daniel and Cathy are poor Michael Sheen and Samantha Bond, fine actors who deserve rescuing from this quagmire.

In Act Two, back in England,

Daniel is a confirmed non-smoker, and apparently also a reformed ex-masturbator too.

He is obsessed with the idea of

reincarnation - man's creation

but also by the idea that he himself may be God, and that he can do anything. He returns to the Balkans, and gets stuck in a war zone. Will he take up smoking again?

Unless he will - get this - his

captor, Pintilje, threatens to strip

another captive and shoot him.

The captive turns out to be

Takic, who stripped, grips

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ARTS

Records/David Murray

The art of touching the keyboard

There is a whole repertoire of music which sounds wonderful on the piano, without amounting to much in any other respect; but there are fewer and fewer pianists who can do justice to it - who know how to draw from the piano those tingling resonances, those shameless thrills that justify virtuous trivias.

There are even Liszt "specialists" these days who concern themselves with his dark, scrawny later works, but cannot make a Hungarian Rhapsody snap and crackle. Many modern pianists think the range of pure piano-stuff that Bolet and Cherkassky used to embrace is unworthy of their attention; their touch suffers by that neglect more than they realise. For it is not a matter of mere speed and power, which can be practised up; it is much more a business of delicate balances, of exact appreciation of the different registers of the instrument; of the precise placing of sounds. Some of Bolet's most brilliant encores were pieces that would not tax a ninth-grade student.

Still, piano addicts are not quite bereft, as a few recent CDs by younger-generation pianists demonstrate. Marc-André Hamelin, who has already recorded extraordinary performances of Alkan's fearsome Concerto for solo piano and his *Grande Sonate*, has added a pendant in the form of the two earlier, less strenuous Concerti da Camera (Hyperion CDA66717), with Martyn Brabbins and the BBC Scottish Symphony, just as immaculately played.

On the same disc are two works by the forgotten pianist-composer Henselt, who was born a year after Alkan and likewise died the year after him. His F minor concerto, like his "Variations de concert" on a Meyerbeer air, revels spectacularly in what the instrument can do, as does Hamelin. Do not expect any musical revelations (you can guess in advance how almost every harmonic sequence will proceed); but the pianism is joyous.

The young Swedish pianist Lovi Derwinger shows astonishing maturity and clean command in a much-later Romantic concerto, Max Reger's very

grand one (op. 114, also in F minor; on BIS-CD-711, with the *Suite im alten Stil*). Though its specific proportions, and even the characters of its three movements, plainly echo Brahms's D minor concerto, Reger's relentless chromaticism might seem clotted and indigestible. With Derwinger's ringing assurance and noble inventiveness, however, and with Leif Segerstam's judicious conducting of the Norrköping Symphony, it compels respect.

Piers Lane is among the few British pianists who cultivate the old-fashioned virtuoso territory. There are many delights to be had from his Hyperion recording (CDA66705) of fantastical Johann Strauss transcriptions, by Schulz-Evler (his notorious "Arabesques" on the Blue Danube waltz), by Friedman, Tausig and Rosenthal - and the master of them all, Leopold Godowsky, whose *Fledermaus* fantasy often contrives to run two or three famous tunes in improbable tandem whilst mad figuration proliferates all over the keyboard.

Just occasionally, Lane betrays the sheer effort required, and the fact that he is not Viennese (rhetorical delays on upbeat are unidiomatic, and sound ponderous); but he has the authentic ping and pounce, and sparks to perfection, in the treble.

The once popular music of the Cuban Ernesto Lecuona (1895-1963) is re-emerging on BIS discs, in the utterly idiomatic hands of Thomas Tirino. No really sensational virtuosity is demanded, but anything less than full-hearted commitment would sound like slumming. On Vol. 1 (BIS-CD-754), Tirino plays the *Rapsodia Negra* with orchestra, all the *Musica Espanola* (including the evergreen Malagueta) and much else besides with complete, unabashed conviction. Uncomplicated pleasures, but genuine.

Something much more gently refined, and a century older, comes on an American import ("Arabesque" Z6666). Sarah Rothenberg performs - nay, re-creates - *Das Jahr*, "The Year", musical calendar by Mendelssohn's beloved sister Fanny. She composed it

for typical of the people in television. Having ridden the feminist bandwagon for years, decades even, they feel a twinge of guilt about having overstated the case and so, all of a sudden, start making programmes about men.

But whose attitudes do these programmes convey? Of course, the feminists! You can scarcely switch on television at present without finding a programme with a masculine word in the title: *A Man's World*, *Assault On The Male*, *A Bad Time To Be A Man*, *The Male Survival Guide* and so on. And what is the BBC's umbrella title for its season? *The Trouble With Men*. Imagine a season called *The Trouble With Women*: they would all be hauled in front of tribunals.

Perhaps this survey was carried out by the same people who proved that grasshoppers hear with their legs: they brought down a book with an almighty bang behind the grasshoppers and all of them jumped, yet stayed quite still through an equally loud noise once their legs had been cut off. The soccer survey failed to point out that the Brazilians won the match and the Italians lost. It also failed to say whether the investigators were men or women.

Sure enough the women treated the child differently. But all that proves is that different women behave differently. Male logic would suggest having one mother and two babies, one a boy and the other a girl, then you would see whether there was a significant change in nurture.

Television/Christopher Dunkley

Men adrift in a sea of oestrogens

The same programme told us that during the World Cup final between Italy and Brazil the testosterone level of the Brazilian fans rose whereas that of the Italian fans fell, and yet it was the Italians who roared afterwards, suggesting that low testosterone levels can mean violence.

Perhaps this survey was carried out by the same people who proved that grasshoppers hear with their legs: they brought down a book with an almighty bang behind the grasshoppers and all of them jumped, yet stayed quite still through an equally loud noise once their legs had been cut off.

The whole thing got off to a confused and confusing start with *Why Men Die Younger* on BBC2 last Sunday. In an attempt to prove that what really counts is nurture, not nature, this showed an experiment in which the same baby was dressed in boys' clothes and then girls' clothes and presented to two different women.

Sure enough the women treated the child differently.

nothing to do with wanting to see their sisters, let alone themselves, down the mines and the sewers, and everything to do with wanting the salaries of barristers and brain surgeons. Can Parsons really believe you get job satisfaction from hosing pigs out of dustbins, or working on the Ford production line, just because you are a man? Enforced camaraderie, perhaps, but hardly job satisfaction.

Amid this sudden upthrust of male interest there are programmes worth watching. Despite the patronisingly matey tone of the commentary BBC2's *Male Survival Guide* on testicular cancer, prostate problems and so on, is probably very valuable to many men who never discuss such matters. Television can be a remarkably intimate and comforting medium, bringing enlightenment and relief where entire families and groups of friends do not - always assuming you can bear to watch, of course.

And *A Man's World* with its archive films and photographs,

and its interviews with men who grew up in the early years of the 20th century, looks like being as engrossing as the previous series in this style (*A Secret World Of Sex, Forbidden Britain* and so on) made by Steve Humphries. The accompanying book is fascinating (*A Man's World* by Steve Humphries and Pamela Gordon; BBC Publications, £12.99). The contrast between the cut-spokeness of many of the programmes in this sudden surge and the dreadful furtiveness regarding anything emotional or sexual so vividly described in *A Man's World* is startling.

Of course the question arises whether, within a generation or so, there will be many men around to worry about these matters. According to an exceptionally ominous edition of *Horizon* last week, sperm counts are falling even faster than the rates of testicular cancer and undescended testes are rising.

The reason, according to this programme, is almost certainly that we now live in a virtual sea of oestrogens. They exist in plastics, detergents, and crop sprays. To alter this you would have to alter the whole modern world. We may already have accepted a Faustian bargain: fast cars and plastics at a cost of plummeting sperm counts.

If makes a change from all those scare programmes about the population explosion.

Radio/Martin Hoyle

Music as the food of thought

According to Radio 4's *Science Now* there is a theory drifting around that students who listen to classical music are brighter than those who listen to pop, noticeable in the short, indeed immediate, term. Accordingly, experiments are to be carried out with schoolchildren, setting them some academic task after exposing half to ten minutes of Radio 1 and half to the same dose of Radio 3. This presupposes that their invigilators will be able to tell the difference.

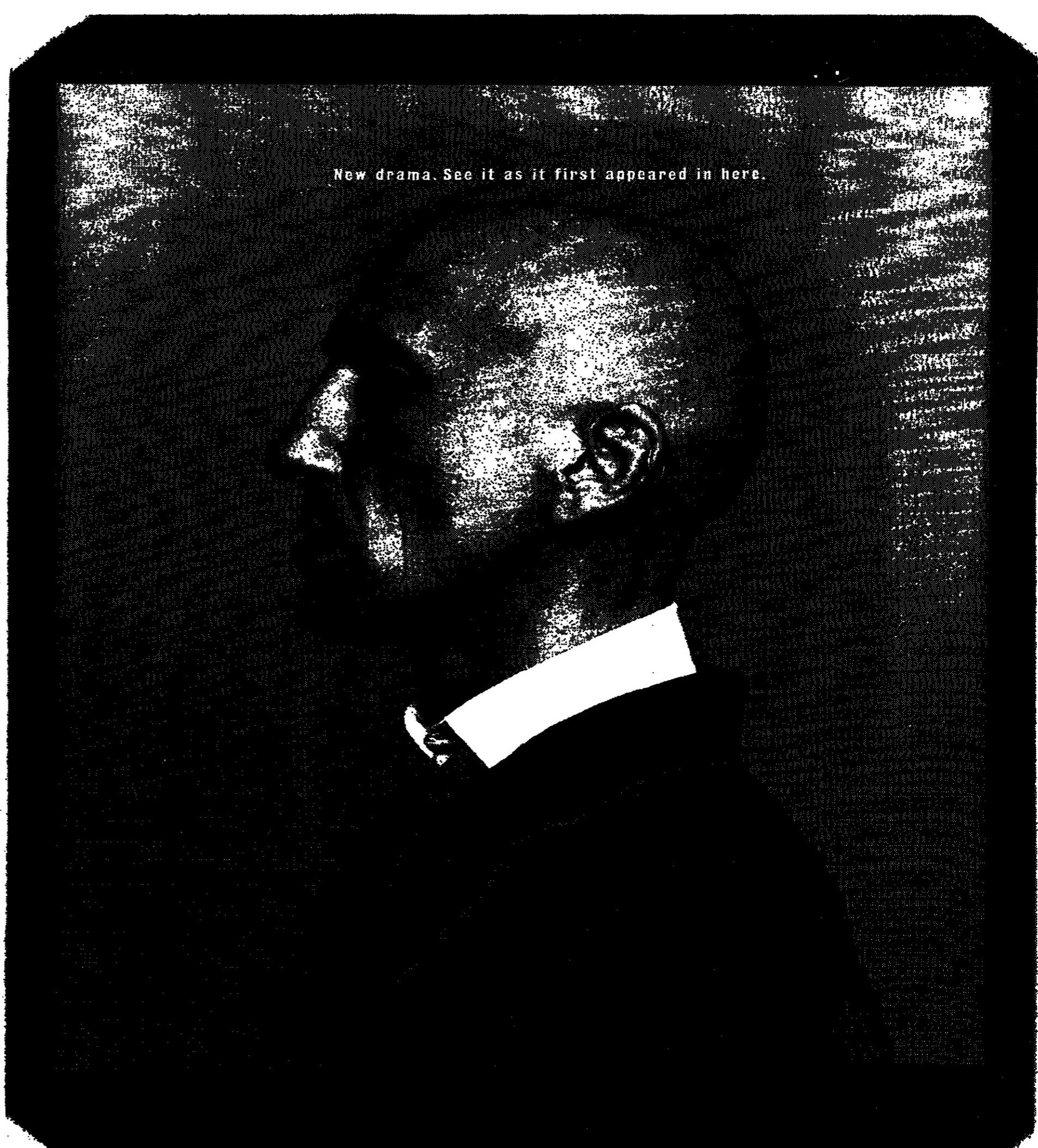
Perhaps those with - for want of a better phrase - cultured backgrounds might be brighter (more articulate or with a wider range of reference or whatever) than the others. The danger of isolating cerebral function from a social context was illustrated this week by Jean Attchison, this year's Letts lecturer. *A Web of Words* skins the surface of other disciplines without really giving any their due. Thus, a characteristic Freudian theory about a subconscious slip was dismissed as "fanciful", though shallower slips are allowed; and it seemed not to occur to her that the reasons we chase a football but pursue a target might be because metaphor, and the presumably thinking class that coins it, often demands a more formal turn of phrase.

Sporadically interesting, strenuously self-ingratiating, with snatches of *Blackadder* and Tom Lehrer, but the speaker is not above setting up false idols the more easily to knock them down. She failed to reveal that the distinguished Victorian intellectual she whimsically quoted at the beginning of this week's lecture is best remembered as the author of *Eric, or Little by Little*. A sitting, unpursued, target.

The differences between the radio channels came to mind last weekend with a 90-minute play about pop-singer Sam Cooke ("Wonderful World", "Rockin' the Night Away") on Saturday and, on Sunday, the

Creative thought deserves powerful communication. Right now, AT&T is working with three of London's leading theatres companies to bring plays to the stage that are every bit as fresh, innovative and challenging as their creators intended them to be. They are: Naomi Wallace's "Slaughter City" by the Royal Shakespeare Company in the Pit, "1953" by Craig Raine at the Almeida Theatre and "The Ends of the Earth" by David Lan at the Royal National Theatre in the Cottesloe. We're proud to be involved and we wish them every success.

New drama. See it as it first appeared in here.



COLLECTING

Maastricht's transformation

Susan Moore looks at the way Europe's pre-eminent fine art fair has developed

Gamblers dream of devising an infallible system. If there is such a thing as a winning formula for a fine art and antiques fair, the European Fine Art Foundation could be forgiven for believing it has found it. Its flagship event, the European Fine Art Fair at Maastricht in the Netherlands, March 9-17 this year, has been transformed during the last eight years into the pre-eminent European fair, and arguably the one truly international art and antiques extravaganza.

Last year, almost three-quarters of the exhibitors were non-Dutch - this year the percentage is slightly higher, with 160 participants representing a dozen countries. Moreover, 38 per cent of visitors to the 1995 private view came from abroad.

Such is the foundation's confidence in its formula that last year it launched a second fair, in Basle, aimed at a central and southern European audience. In spite of modest attendance figures - 12,500 (Maastricht last year attracted 32,000) - the Tefaf board is exploring the possibilities of an American edition.

Fairs are an expensive and risky way for dealers to do business but,

Of the leading founder members

as Ben Janssen of The Oriental Art Gallery put it: "We feel there are not enough people coming to the shop. Exhibiting at fairs is the only way of renewing our client-base."

Maastricht's success is due in large part to the tireless efforts of its board of exhibiting dealers to improve and refine. Without doubt, the fair is more diverse and more international than it was a decade ago, and standards have been raised across the board.

The Maastricht of the 1980s was confined to three sections: paintings, works of art and textiles. Now it embraces drawings and prints, antiquities, books, manuscripts, maps and "la haute joaillerie du monde". This year fine wines have been introduced. But these attempts to be all things to all men have their drawbacks. Maastricht is a less familiar, coherent and cosy fair.

It is even a shadow of its former self, in one respect. A decade ago one was guaranteed an impressive selection of the finest carpets, tapestries and other textiles available.

This year there is no John Eskens

of Milan and London, and no Textile Gallery of London - both

choosing to show at the new International Asian Art Fair in New York later in the month.

Of the leading founder members

or "Textura" only Bernard Blondeel remains, offering among other things a typically spectacular suite of four Flemish "pergola" tapestries of around 1600. Woven with pots and swags of flowers within arcades or pergolas, and with landscape vistas beyond, such sets of tapestries were conceived for indoor winter gardens. Price tag: Fl 1m.

Maastricht would do well to continue to broaden and improve its core sections rather than keep tentatively branching out. To this end, it is good to see the French furniture dealers back in force, and the London Furniture dealers Mallett and the Palham Gallery. The new blood offers a welcome antidote to ponderously gloomy Dutch, Flemish and German furniture.

The works of art section is also enhanced by the arrival of Blumka and Trinity Fine Art, and dealers of the calibre of Gisèle Croës returning with such rarities as a set of eight Tang dynasty mural paintings of court ladies.

The range of the picture section, the backbone of the fair and its biggest international crowd-puller, has similarly broadened, with dealers such as Huguette Berès showing French 19th century works rather than the ubiquitous Dutch Romanti-

sts. This year's signing up of French & Co, one of the largest and certainly most expensive of the New York Old Master dealers - Manhattan's answer to Richard Green - is considered a real coup, not least because the gallery has never shown at a fair before. Newcomers also include Silvana Lodi of Milan and Clovis Whitfield of London, best known for Italian Old Masters. Whitfield is exhibiting at Maastricht simply because it is "the best fine art fair around".

Taking a bow is Otto Naumann of New York, whose inaugural show promises to be a real *coup de théâtre*. Naumann is giving Maastricht oil, a rarely seen oval portrait of a young man which can be bought for \$4.5m. He is also exhibiting a number of surprises that "absolutely none of my colleagues have seen".

American exhibitors - and their clients - are needed by Maastricht. What most concerns the Maastricht board, Knight says, is how to encourage a new, more enthusiastic and wealthier audience through its doors... And the most excited audience these days comes from the US." Today, when there is a dearth of high quality works of art on the

market, unfamiliar stock and fresh pairs of eyes are needed.

To suggest something of the range of objects and jewels to tempt them, Jan Dirven of Antwerp, for instance, offers a chased and enamelled copper-gilt Virgin in Majesty of around 1275, with the apostles Peter and Paul depicted on the reverse. Rather late for Limoges perhaps, but a great market rarity. Those with a taste for Frans Hals might visit the Haboldt stand to see the portrait of the clergyman, poet and historian Samuel Ampzing.

Newhouse has an Arcadian wooded river landscape with ruins by Gaspard Dughet and Prinz & Müller a giltwood armchair after a design by Schinkel inspired by Pompeian furniture.

More conspicuous consumers might be dazzled by the pair of late 19th century silver-plated chandeliers with their original gilded glass shades believed to have belonged to the Nizam of Hyderabad, reputedly the richest man in the world (Mallett). Cartier presents a 1930s platinum, ruby and diamond necklace that belonged to Lady Granard, nee Ogden Mills, an American *grande dame* rarely seen without tiara. San Chips Channon: "Lady Granard could scarcely walk for jewels."



Frans Hals's portrait of the clergyman, poet and historian Samuel Ampzing

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En viewed through a sequence of doorways from the top of the National Gallery's main stairs, Velázquez's portrait of Pope Innocent X compels your gaze. Once drawn into the Mond Room and confronting one of the most celebrated portraits in the history of western art, and an image made even more famous this century by Francis Bacon's diabolical transmutations, you face, simply, the most spectacular gallery wall in London.

Until May 19, the gallery hosts a dozen or so masterpieces from the Doria Pamphilj Gallery in Rome, one of the world's finest private art collections and one of the city's

most under-visited museums.

In the days when the loans of great pictures are secured only after months or years of diplomacy, the National Gallery found itself not only being offered works from the Rome gallery while it was closed for rewiring but instructed to take the pick of its best.

Only a handful of the Pamphilj treasures have been lent from the collection founded in 1650 by the Pamphilj pope, Innocent X. In his palazzo, Velázquez's portrait has a room to itself. Here, it is flanked by two other likenesses, a marble bust by Bernini and another Baroque *tour de force*, in bronze and porphyry, by Alessandro Algardi.

Velázquez's image is the most unflinching yet even if hardly does justice to the pope's reputation as the ugliest man in Rome. But we do find harshness in an expression linked to "that of a cunning lawyer", and an implicit menace heightened by the artist's masterly orchestration of hot crimson tints. Pigment and canvas are here made flesh and blood.

Holding their own either side of this powerful papal triumvirate are superb early works by Guercino and Caravaggio. Guercino's monomaniac tenebrist canvas, illustrating a passage of Tasso, has Ermilia rushing to the battlefield to tend the wounds of her beloved Tancred. It is a work of passion and drama of the days when in Guercino's own words - the paint bubbled in the pots. Luminous velvet-soft ivories and ochres off-set oily greys and petrol blue. Caravaggio's poetical, idio-

sublime landscape painter and execrable painter of figures.

It is an odd irony that the pictures can be seen better in the National Gallery than hung high on their own far grander walls, and a compliment to the London gallery that they are here (a circumstance perhaps partly explained by the Principessa Doria Pamphilj having married an Englishman and educated their son there). But the vitality and patina of her family pictures also serve as a reproach. Cleaning paintings is not inevitably for the better.

S.M.

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What's on in the principal cities

■ AMSTERDAM

CONCERT
Concertgebouw Tel: 31-20-5730573
● Jard van Nes: accompanied by pianist Gérard van Blek. The mezzo-soprano performs songs by R. Strauss, Anshik, Zemlinsky and Tchaikovsky; 8.15pm; Mar 5
● Valery Afanassov, Gidon Kremer and Mischa Maisky: the pianist, violinist and cellist perform Shostakovich's Piano Trio No 1, Violin Sonata, Cello Sonata and Piano Trio No 2; 8.15pm; Mar 3
● Tatiana Shebanova: the pianist performs works by Chopin, Rachmaninov, Prokofiev and Debussy; 8.15pm; Mar 8
OPERA
Het Muziektheater Tel: 31-20-5518117
● L'incoronazione di Poppea: by Monteverdi. Conducted by Christophe Rousset and performed by De Nederlandse Opera. Soloists include Cynthia Hayman, Brigitte Balleys and Ning Liang; 7pm; Mar 5, 9, 12, 14

■ BALTIMORE

CONCERT
Joseph Meyerhoff Symphony Hall Tel: 410-783-8000
● Baltimore Symphony Orchestra: with conductor Hans vonk and violinist Herbert Greenberg perform Prokofiev's Violin Concerto No.2 and Beethoven's Symphony No.2; 8.15pm; Mar 8, 9

■ BERGEN

CONCERT
Grieghallen Tel: 47-55-216150
● Bergen Filharmoniske Orkester: with conductor Serge Baudo and pianist Jean-Yves Thibaudet perform works by Smetana, Rachmaninov, Ravel and Janácek; 7.30pm; Mar 7

■ BASEL

EXHIBITION
Kunstmuseum Basel Tel: 41-61-2710228
● Pablo Picasso: Die illustrierten Bücher: exhibition of illustrated books that Picasso created throughout his career. The exhibits come from a private collection and from that of the Hanspeter Schuhmesser-Oeri Stiftung in the Kupferstichkabinett in Basel; to Mar 10

■ BERLIN

CONCERT
Konzerthaus Tel: 49-30-203092100/01
● Symphony No.9: by Mahler. Performed by the Sinfonieorchester des Mitteldeutschen Rundfunks with conductor Daniel Nataf; 8pm; Mar 4
OPERA
Deutsche Oper Berlin Tel: 49-30-3438401
● Andra Chénier: by Giordano. Conducted by Rafael Frühbeck de Burgos and performed by the Deutsche Oper Berlin. Soloists include Giorgio Merighi and Elena Filippova; 7.30pm; Mar 5, 15
● Elektra: by R. Strauss. Conducted by Jiri Kout and performed by the Deutsche Oper Berlin. Soloists include Leonie Rysanek, Gwyneth Jones, Karen Huffstodt, Peter Gougauff and Gerd Faldfeld; 8pm; Mar 6, 9 (7pm)
Komische Oper Tel: 49-30-202600
● Falstaff: by Verdi. Conducted by Yakov Kreizberg and performed by the Komische Oper. Soloists include Passow, Korondi, Baniewicz, Braun and Heldemann; 7pm; Mar 15
Staatsoper Unter den Linden Tel: 49-30-2028261
● Tancredi: by Rossini. Conducted by Fabio Luisi and performed by the Staatsoper Unter den Linden. Soloists include Jeffrey Francis and Jochen Kowalski; 7pm; Mar 4, 7

■ BOSTON

CONCERT
Boston Symphony Hall Tel: 1-617-266-1492
● Boston Symphony Orchestra: with conductor Riccardo Chailly and cellist Lynn Harrell perform works by Smetana and Dvořák; 10.30am; Mar 7, 8 (8pm), 9 (1.30pm)

■ CHICAGO

CONCERT
Orchestra Hall Tel: 1-312-435-8666
● Chicago Symphony Orchestra: with conductor Riccardo Chailly and cellist Lynn Harrell perform works by Ives and Stravinsky; 8pm; Mar 7, 8 (1.30pm), 9, 12 (7.30pm)

■ COLOGNE

CONCERT
Kölner Philharmonie Tel: 49-221-2040820
● Andreas Schiff: the pianist performs works by Bartók and Haydn; 8pm; Mar 6
● Barbara Hendricks: accompanied by pianist Stefan Scheja. The soprano performs songs by Schubert, Wolf, Poulenc and Schoenberg; 8pm; Mar 3
OPERA
Opernhaus Tel: 49-221-2218240
● Die Zauberflöte: by Mozart. Conducted by Georg Fischer and performed by the Oper Köln. Soloists include La Pierre, Hartmann, Lescaro, Collis and Fink; 7.30pm; Mar 7

■ COPENHAGEN

OPERA
Det Kongelige Teater Tel: 45-33 14 16 02
● Die Entführung aus dem Serail: by

INTERNATIONAL ARTS GUIDE



Anne-Sofie von Otter, singing in Paris and Lyon

Mozart. Conducted by Andrew Greenwood and performed by the Royal Danish Opera. Soloists include Lena Nordahl, Diana Mal-Mai and John Laursen; 8pm; Mar 9, 14

■ DRESDEN

CONCERT
Sächsische Staatsoper Dresden Tel: 49-31-49110
● Sächsische Staatskapelle: with conductor Bernard Haitink and pianist András Schiff perform Beethoven's Piano Concerto No.4 in G major and Shostakovich's Symphony No.5 in D minor; 8pm; Mar 9

■ DUSSELDORF

CONCERT
Tonhalle Düsseldorf Tel: 49-211-8992081
● Bolshoi Symphony Orchestra Moscow: with conductor Alexander Lazarev and cellist Alexander Rudin perform works by Mol索lov, Dvořák and Tchaikovsky; 8pm; Mar 6

■ EDINBURGH

CONCERT
Edinburgh Festival Theatre Tel: 44-131-5296000
● The Official Tribute to The Blues Brothers: a homage to the music of Jake and Elwood Blues, starring Brad Henshaw and Simon Foster; 8pm; Mar 5, 6, 7, 8, 9 (6pm & 8pm)

■ ESSEN

EXHIBITION
Museum Folkwang Tel: 49-201-8845314
● In Sichtweite: this exhibition focuses on the contrasts and similarities in the work of the contemporary German painters Birgit Luxemburg and Dorothee Rocke; from Mar 7 to Apr 14

■ FLORENCE

CONCERT
Teatro Comunale Tel: 39-55-211158
● Orchestra del Maggio Musicale Fiorentino: with conductor Lawrence Foster and pianist Emanuel Ax perform Brahms' Piano Concerto No.2 and Shostakovich's Symphony No.1; 8pm; Mar 8, 9, 10 (3.30pm)

■ FRANKFURT AM MAIN

EXHIBITION
Schirn Kunsthalle Tel: 49-69-2998820
● Prospect 96: exhibition devoted to photography and its role in modern art. The display includes works by John Baldessari, Lewis Baltz, Gilbert & George, John Hilliard, Cindy Sherman, Jeff Wall, Boyd Webb and many other - mostly young - artists; from Mar 9 to May 12

■ GHENT

CONCERT
De Vlaamse Opera Tel: 32-9-2230681
● La Forza del Destino: by Verdi. Concert performance by De Vlaamse Opera, conducted by Daniel Lipton. Soloists include Henk van Heijnsbergen and Soya Smolyanova; 8pm; Mar 8, 9 (3pm), 12, 14

■ GLASGOW

CONCERT
Glasgow Royal Concert Hall Tel: 44-141-332633
● Messa da Requiem: by Verdi. Conducted by Christopher Bell and performed by the Scottish Opera Schools Chorus. Soloists include Elizabeth Hetherington and Frances McCafferty; 7.30pm; Mar 5

■ GOTHEBORG

DANCE
Göteborgs Opera Tel: 46-31-108000
● Eva: world premiere of a choreography by Robert North to music by Howard Blake, performed by the Gothenburg Ballet. Soloists include Darren Parish, Tim Lilequist, Michiko Hayashi, Ersin Aycan, Sheri Cook and Mia Johansson; 7.30pm; Mar 8

■ HAMBURG

OPERA
Hamburgische Staatsoper Tel: 49-40-351721
● Elektra: by R. Strauss. Conducted by Simone Young and performed by the Hamburg Oper. Soloists include Leonie Rysanek, Janis Martin, Inga Nielsen, Franz Grundheber and Horst Stanis Paul Keating as Tommy, with

Kim Wilde, Alastair Robins and Ian Bartholomew; 8pm, Wed, Sat also 3pm; from Mar 5 (Not Sun)

OPERA
London Coliseum Tel: 44-171-8360111
● Don Pasquale: by Donizetti. Conducted by Michael Lloyd and performed by the English National Opera. Soloists include Donald Adams, Neil Archer, Alan Opie and Mary Hegarty; 7.30pm; Mar 8

■ LYON

CONCERT
Opéra de Lyon Tel: 33-72 00 45 00
● Anne-Sofie von Otter: accompanied by pianist Malcolm Martineau and violinist Reiner Schmidt. The mezzo-soprano performs works by Grieg, Stenhammar, Ringström, Blomdahl, Loeffler, Brahms and R. Strauss; 8.30pm; Mar 6

■ MAASTRICHT

ART & ANTIQUE FAIR
MECC Tel: 31-43-3838383
● The European Fine Art Fair: on this annual art and antique fair more than 160 art dealers from Europe, the US and Hong Kong present highlights of their collection, including old master paintings and drawings, oriental art, silver, jewellery, books, manuscripts and maps, tapestries, and modern and contemporary art. Highlights include two paintings by Van Gogh, portraits by Rembrandt, Rubens and Frans Hals, Rodin's "Printemps" and Matisse; from Mar 9 to Mar 17

■ LAUSANNE

CONCERT
Théâtre de Beaulieu Tel: 41-21-642211
● English Chamber Orchestra: with conductor/violinist Pinhas Zukerman perform works by Rossini, Mendelssohn and Beethoven; 8.15pm; Mar 4

■ OPERA

Théâtre de Beaulieu Tel: 41-21-642211
● Opéra de Lausanne: and the Orchestre de Chambre de Lausanne with conductor Jesus Lopez Cobos perform Pergolesi's La Serva Padrona and Rimsky-Korsakov's Mozart and Sämler. Soloists include Isabel Moner, Bruno Praticò, Valery Serkin and Sergei Zadov; 8pm; Mar 3, 5 (8pm), 7 (8pm), 10

■ LEIPZIG

CONCERT
Gewandhaus zu Leipzig Tel: 49-341-12700
● Gewandhausorchester: with conductor Kurt Masur and viola-player D. Hallmann perform works by Bartók and Bruckner; 8pm; Mar 7, 8

■ OPERA

Leipzig Tel: 49-341-1261261
● Der Silbersee: by Weil. Conducted by Wilden and performed by the Leipzig and the MDK-Kammerphilharmonie. Soloists include Damm, Wangemann, Hoffstedt, Kruck, Sawaley, Petzold and Riemer; 8pm; Mar 7

■ OPERA

Tannhäuser und der Sängerkrieg auf Wartburg: by Wagner. Conducted by Jiri Kout and performed by the Oper Leipzig and the Gewandhausorchester. Soloists include Bartha, Watson, Dick, Olsen, Neumann, Choi and Scholz; 8pm; Mar 3, 5, 8, 10 (3pm), 12, 14, 16

■ MUNICH

CONCERT
Philharmonie im Gasteig Tel: 49-89-4809625
● Ivo Pogorelich: the pianist performs works by J.S. Bach, Beethoven, Chopin and Rachmaninov; 8pm; Mar 5

■ EXHIBITION

Stadtgalerie Im Lenbachhaus Tel: 49-89-23332000
● Wassily Kandinsky: exhibition of more than 600 drawings, sketches, paintings and prints by Kandinsky, with special emphasis on the years he lived in Munich; to Mar 10

■ OPERA

Nationaltheater Tel: 49-89-21851920
● Semele: by Handel. Conducted by Ivor Bolton and performed by the Bayerische Staatsoper. Soloists include Ann Murray, Kathleen Kuhlmann, Christoph Robson and Julie Kaufmann; 7pm; Mar 7, 9, 13 (2.30pm)

■ NEW YORK

CONCERT
Avery Fisher Hall Tel: 43-1-514442960
● La Traviata: by Verdi. Conducted by Stefan Soltesz and performed by the Wiener Staatsoper. Soloists include Nancy Gustafson, Giuseppe Sabatini and Dmitri Hvorostovsky; 7.30pm; Mar 4, 6, 8, 12

■ LISBON

CONCERT
Grande Auditório da Fundação Gulbenkian Tel: 351-1-7935131
● Orfeo: by Berio. Concert performance by the Orquestra Gulbenkian, conducted by Claudio Scimone. Soloists include soprano Cecília Gasdia and mezzo-soprano Jennifer Lamore; 9.30pm; Mar 7, 8 (5.30pm)

■ LONDON

CONCERT
Barbican Hall Tel: 44-171-6388891
● Die Schöpfung: by Haydn. Conducted by Harry Christopher and performed by the City of London Sinfonia. Soloists include soprano Lynda Russell, tenor Thomas Randle and bass Michael George; 7.30pm; Mar 7

■ OPERA

Metropolitan Opera House Tel: 1-212-879-5030
● Enamels of Limoges, 1100-1350: the first international exhibition devoted to the works produced in the workshops of Limoges, France, between the 12th and 14th century presents 150 examples of enamelwork from the collections of the Metropolitan, the Louvre, and the church treasures of France, including Conques, Toulouse and Saint-Denis. Arranged chronologically, the display traces the technical and stylistic innovations of goldsmiths at Limoges over more than 250 years; from Mar 5 to Jun 16

■ OPERA

Metropolitan Opera House Tel: 1-212-872-6000
● A "Cannibal" Adderley Celebration: a tribute to alto saxophonist and bandleader "Cannibal" Adderley, with singer Vanessa Rubin, saxophonist Antonio Hart, trumpeter Cecil Bridgewater and a horn orchestra; 8pm; Mar 7

■ OPERA

New York State Theater Tel: 1-212-875-5570
● The Mikado: by Gilbert & Sullivan. Conducted by Randall Craig Fleschier and performed by the New York City Opera. Soloists include Barbara Shirley and Joyce Castle; 1.30pm; Mar 8 (7pm), 12, 14

■ PARIS

CONCERT

Maison de Radio France Tel: 33-42 30 22 22

● Orchestre Philharmonique de

Radio France: with conductor Marek Janowski and cellist Nadine Pierres

Perform Dutta's Symphony No.1,

Tout un monde lointain, Les Citations

and Mystères de l'instant; 8pm; Mar 9

Théâtre du Châtelet Tel: 33-1 42 33 00 00

● Anne-Sofie von Otter: accompanied by pianist Bengt Forsberg. The mezzo-soprano performs works by Faure, Sibelius and Schubert; 5pm; Mar 3

■ EXHIBITION

Centre Georges Pompidou Tel: 33-1-44 78 12 33

● Picabia 1922: this exhibition is a reconstruction of the exhibition organised by Francis Picabia, one of the pioneers of Dada, in the Galerie Dalmau in Barcelona in 1922. The display shows about 30 works; from Mar 8 to Jun 30

■ LYON

CONCERT



James Morgan

The followers of Crackpot Marketing

Those who sell weapons provide goodies for gangsters and lose stupendous sums in the process

The eternal British preoccupation with the flood of domestic sensation tests the patience of outsiders. For them the Scott report, "arms-for-Iraq", etc resemble that other great British institution, the drawn game.

In cricket, a test match between say England and Australia, may last five days and end without a result even though one side enjoys an overwhelming advantage. The interest is in the team that has saved itself from humiliation. Salvation can come in the form of a gallant performance by a single participant, or by the rain which

brings it all to an early end.

The Scott debate shares many elements with the national summer game. A government saved by a single vote, the ambiguity of Scott's conclusion; the subtleties of the double negative which deceive the eye; the judges' controversial decisions and a near-obscure concentration on detail which keeps commentators and spectators amused even when nothing is happening. It is all too much, and so it slipped quickly from foreign news pages around the world.

In this excitement one loses sight of the main point. And the main point of the Scott report remains

the arms trade. The British government prided itself on not having behaved like the unscrupulous French. It had not sold to Saddam Hussein every lethal instrument in its armoury. Some may say that honest Gothic unscrupulousness is preferable to those perfidious Anglo-Saxon distinctions between equipment and weaponry. But again this is not the point.

The point is that there was a fear that Britain could "lose market share". Iraq had to be allowed to buy something to avoid such a catastrophe. But, as we now know, Saddam Hussein got his goods from beyond natural demand.

The truth is, most countries is

mer trade minister (and diarist and ladies' man) Alan Clark. A friend of his put it this way in *The Spectator* last week: as minister he wanted to sell weapons to the "towelheads", otherwise they would "only buy from the Frogs and Krauts".

It is 40 years since the American sociologist C. Wright Mills coined

the term Crackpot Realists. They were the defence planners of his day who later created the Vietnam war out of nothing. Today they are to be found among politicians and journalists who curi their lips and

around the world.

The truth is, most countries is

dominated by the views of the for-

mer weapons to Iraq or Argentine generals could have been avoided by giving every worker in the relevant industries £5,000 and 10 weeks' extra holiday.

Thanks to the realists, armaments remain the one item of international trade in which no normal commercial rules apply. Thanks to them, even the most basic analysis of cost and benefit is ignored. Thanks to them the world still subsidises guns while creating rules against subsidising butter.

■ James Morgan is economic corre-spondent of the BBC World Service

really don't know, because I've never experienced anti-Semitism myself. My family wasn't involved in Europe in the second world war. I'm three and half generations South African.

"But I must say I find it difficult to understand how any Jewish person can not find discrimination of this kind abhorrent. I know a fair amount about Jewish history, and I suppose, yes, it may well have had an influence.

"Why say I'm doubtful is that I don't have feelings that any other decent human being shouldn't also feel."

Do you think your job here will raise the world's consciousness of human rights?

"I've got no doubt. It's already had that effect. This tribunal has brought about a revolution already. Even if we were to go out of business today we would have had the signal achievement of putting international humanitarian law and human rights on many agendas.

"It's being taught and debated at universities. There are articles in learned magazines about a subject that has been absolutely neglected. And the media. How frequently did one read about it? Now there's hardly a newspaper in the majority of the countries of the world that isn't taking an interest in the law of war."

Was it your ambition to lodge in people's minds the idea that there is a moral dimension to these things, that *reapotizk* is not the end of the matter?

"Absolutely. Absolutely," he repeated.

Is that why you took the job?

"That's one of the reasons. I realised immediately the tremendous importance for furthering the internationalisation of human rights that this sort of tribunal should succeed."

Goldstone's enthusiasm is unforced, unfeigned. To put it more mundanely, will this tribunal actually deter individual people from raping, torturing and killing, I asked.

"Yes," he said firmly.

"There's only one way to stop criminal conduct in any country or in the international community. And that's the fear of detection - and punishment.



Richard Goldstone: "Fundamental to all forms of justice is official acknowledgement of what happened"

Roger Gaisford

Private View Bloodhound in pursuit of the dogs of war

Christian Tyler meets Richard Goldstone, chief prosecutor of the UN war crimes tribunal

A permanent peace between Serbs, Croats and Moslems in former Yugoslavia may depend less on the 60,000 Nato troops stationed there than on the success of a cool and tenacious South African judge, Richard Goldstone.

Veteran investigator of violence under apartheid, he was chosen by the United Nations to bring to justice the torturers, rapists, mass murderers and other war criminals in the Balkans whose acts will otherwise certainly rekindle the embers of revenge.

"I don't think you can have peace without justice," Goldstone said, speaking in his high-security fastness on the edge of The Hague, near the specially adapted jail at Scheveningen. "At least, not a peace that's going to be enduring."

The chief prosecutor of the war crimes tribunal understands the importance of history in civil war. Every one of his meetings in former Yugoslavia, he said, begins with a history lesson. "If you're lucky it begins with world war two. More frequently it begins with the 14th century. That's because there's never been any accounting."

Could the tribunal really be a substitute for personal revenge?

"That's the whole point. I believe that very strongly."

Even though the scores would be settled far away, and by a long, cumbersome process: "It's not a cure-all," Goldstone admitted. "It's not going to remove all cries for revenge. No system of justice can ever be so perfect as to do that."

But fundamental to all forms of justice is official acknowledgement of what happened, whether by criminal process or truth commission. These are very important functions which assist people to begin their healing process."

The tribunal, whose remit also covers the genocide in Rwanda, is the first to be set up since the Nuremberg and Tokyo trials after the second world war. This time, however, the maximum sentence will be life imprisonment, not death.

That the tribunal exists at all is due not merely to public outrage at the savagery of

"It's not going to remove all cries for revenge. No system of justice can ever be so perfect"

skia concentration camp in north-west Bosnia.

Only two other suspects are in custody outside The Hague, where 24 cells have been prepared. They are the Bosnian Serb officers General Djordje Dukic and Colonel Alekse Krstmanovic, who were picked up by the Bosnian army on January 30 when they took a wrong turning and were flown to the Netherlands in a Nato aircraft last month.

For Rwanda the tribunal's procedures are the same, and the five appeal judges are shared. Ten men - two of them now in jail in Zambia - have been indicted so far for their part in the massacres of mostly Tutsi people in 1994, when an estimated half million died.

Of the 50 people indicted in the Balkans, 45 are Serbs and seven Croats; and although the tribunal stresses it is not concerned with the race or nationality of suspects, the disparity is plain. Goldstone said a number of Moslems would be

"But we're getting it - more and more."

He claimed that "no decent government" would press for waivers and added: "I can assure you if any government brought political pressure on this office, I would make that public." Would you quit?

"I never believe in making those sorts of threat. It's really hypothetical and very improbable."

The prosecutor refused to say whether any of the presidents of the three warring republics, now co-signatories of the Dayton peace accord, were themselves under investigation.

I asked: Are you afraid that some of those regarded most responsible will escape because it will be politically convenient?

"Not if we do our job properly."

You need the help of others to do it properly.

Goldstone first became a public figure in his own country. Following a series of courageous legal judgments under apartheid, he was appointed by the then white government to head three inquiries into violence.

In 1990 he investigated the police shooting of 18 people and the wounding of 281 at an anti-apartheid march in Soweto, Transvaal. Then he was asked to report on the death in custody of a boyfriend of the Mandelas' daughter - it proved to be a case of suicide.

Most famously, he chaired the commission of inquiry into allegations that a "third force" inside the South African security apparatus was smuggling weapons to Inkatha for use against the African National Congress.

Goldstone's interest in human rights goes back to his student days when he began to meet people who had suffered racial discrimination.

Were you on the Left?

"Certainly by South African standards," he replied with a laugh. "I suppose by international standards I was pretty much in the centre. I had strong feelings about the evils

of racial and gender discrimination - any form of irrational discrimination."

I asked him if his Jewish background was relevant.

"I'm often asked that. And I

Peter Aspden

Sense and sensibilities at the skip



Healthy box office receipts at the cinema, widespread critical acclaim and saturation press coverage suggest that a lot of people who, frankly, would not know their sense from their sensibility, would quite fancy living in Jane Austen's time.

It has an appealing simplicity, I suppose. The frocks and hairstyles may have left something to be desired, but how nice it must have been to have flitted around this world of icy bows and wholesome architecture.

And how silly they all were. If you were a man, you could cause a scandal by calling unannounced on a lady; if you were that lady, you could cause one of your own by deciding to go to the opera unaccompanied. What clean, under-stated fun!

And take Sunday mornings. A simple affair indeed. There was only one thing to do: go to church. Once there, you could address the subtleties of choosing your companions, composing

a resonant one-liner with which to dismiss the sermon, and having a good old gossip about those frocks and hairstyles that were just that little bit more monstrous than your own.

All these pastoral images flashed in my mind as I discovered a new Sunday morning ritual of my own last week. It was dirty, laborious, quintessentially urban, mildly decadent, and the very antithesis of JA's universe: getting to the skip on time.

Skips, for the benefit of those readers who don't know, are ugly, inverted pyramid structures designed to collect the flotsam of contemporary life and cart it away to who knows where. You are never far away from a skip in central London. They are provided by local authorities anxious to keep the streets clean and keen to show off their minimalist organisational skills. I even received a timetable to tell me when my next empty skip was due. Sunday morning, 9.15, it said. So there I was.

What did I expect? Just a moment or two of quiet solitude with my broken chair, which has supported me through several years beyond its intended life

cycle; a chance to hone my hurling-the-chair routine, due to become an Olympic demonstration sport in 2008; a symbolic purging of the past, an exuberant display of disregard for material objects. It was to be a special moment.

What I found was an entire crowd of fellow residents - at 9.15 on a Sunday morning, remember - with similar intentions, though perhaps a shade less pretensions. They were in no mood for sentimental reflection: "*Thwack!*" went a soft, "Edoing" responded an armchair. I hastily joined the party, a feeble "Cunk!"

We all smiled at each other. We were shedding our inhibitions along with our personal histories. Before 9.30, there was enough for a sitting room in our skip, a cubist three-piece suite, insides-out and back-to-front. Some churlish latecomers contributed with some meaningless planks of wood and piping. Cubism turned into abstract expressionism. By 9.45, our skip was full and blooming with rubbish.

More skip-loaders arrived. Lacking the hurling skills to add to the pile, they left votive offerings all around. In

the gutter, cluttering the footpath.

But the skip-loaders were soon followed by the skip-scavengers. They took away from the skip. They needed things. They, too, had studied the timetable. One did not have to be a liberal fool to find the scene poignant; although one could just as well have admired that unusually robust example of demand and supply staring each other in the face.

On my way back home I passed

through a small park, built in the 19th century by a local landowner to honour his family. It was full of drunks.

Friendly drunks, but not the kind of people with whom you would happily swap ironic observations. What, I wondered, would the landowner have thought of his family's honour?

As Sunday morning rituals go, this all proved more bracing than many a sermon I have listened to. One does not have to step far outside one's front door for similar examples. Which, no doubt, is why we all want to be Jane Austen characters, tellingly raising our eyebrows and spraining our delicate ankles in a far, far gaudier world.

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Weekend Investor

Wall Street

Ground Control calling Major Dow...

Lisa Bransten wonders how much longer US stocks can stay in their present orbit

Somewhere in outer space floats the satellite that came unbound from the space shuttle Columbia this week and now orbits the earth uncontrolled. Eventually, it will lose momentum and burn up as it re-enters the earth's atmosphere.

Back on earth much debate is taking place about whether a similar fate awaits the US stock market, which tumbled through the first four days of this week after spending most of the past four months emulating a rocket freed from the burden of gravity. Unlike Columbia's satellite, however, it remains tethered by trading collars meant to prevent it from spinning off into space.

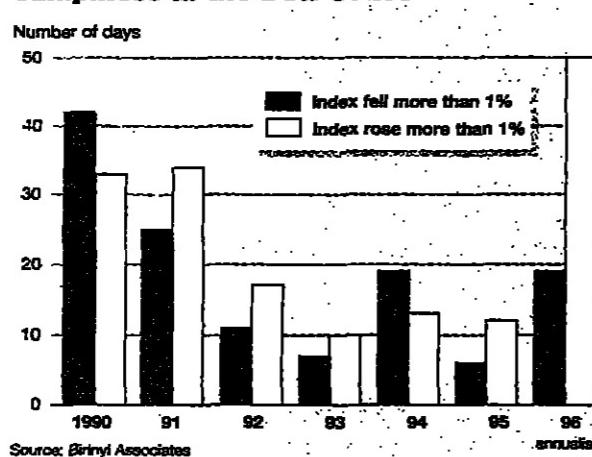
So far this year, the collars that take over when the Dow Jones Industrial Average strays more than 50 points above or below its opening levels have been triggered 20 times, compared with just 28 times in all of last year. These mechanisms, which restrict programme trading, were put in place in August 1994 to prevent another computer-driven crash like 1987's one-day drop of more than 500 points, and they were triggered in every session from February 16 to February 23.

Of course, a 50-point move is not what it used to be. About this time last year, a change of 50 points represented 1.3 per cent of the blue chip index, now, 50 points isn't even 1 per cent. But that the restrictions have been used so often points to an extraordinary jump in trading.

Jeffrey Rubin, of Biriny Associates, reckons that the Dow would, at its present pace, end with a gain or loss of more than 1 per cent higher or lower on 60 out of this year's 252 trading days, compared with 18 moves of more than 1 per cent last year and 22 in 1994. That kind of volatility has not been seen since 1987 when the Dow moved more than 1 per cent in nearly half of the year's trading sessions - and everyone knows what happened in October 1987.

But market strategists are hesitant to point to a year's erratic trading as a definitive sign that the end is near. For starters, the majority of trading restrictions this year have been put in place to slow a rising market and, in the first two months of the year, the Dow has risen more than 7 per cent, even after last week's loss of about 120 points by mid-

Jumpiness in the Dow Jones



day yesterday. "It's a warning sign, I wouldn't say it's a conclusive warning sign," Eric Miller, chief investment officer at Donaldson, Lufkin & Jenrette, says. Although he does not think the stocks are entering a long-term bear market phase, he does think there is more room on the downside, especially with next month's first quarter reporting season coming up quickly.

Often, companies try to head off disappointments over earnings by issuing profit warnings well before they are due to issue their quarterly results, and a wave of pessimistic outlooks for corporate profits could have quite a strong dampening effect on the market. And, already, such worries are beginning to take their toll on the technology sector.

Yesterday, Compaq Computer warned that increasing competition was hurting its sales and margins, which sent its shares tumbling 5.7% (or 15 per cent) at \$43.4 and spread shock waves through the entire personal computer sector. That led to a steep drop in shares of IBM, the Dow's price issue, and thus sparked a 44-point drop in the index. By lunchtime, however, the jittery shares had reversed course and blue chips had managed a gain of 15.4 at \$50.16.

Byron Wein, who has been among the market's most bullish cheerleaders, cites the volatility as one reason behind last week's step of increasing the cash position in his model portfolio to 10 per cent from 5 per cent, thus decreasing his suggested investment in equities to 90 per cent. Wein says he is not turning bearish - for

Dow Jones Ind Average	
Monday	5,585.10 - 65.39
Tuesday	5,549.21 - 15.88
Wednesday	5,506.21 - 43.00
Thursday	5,485.62 - 20.59
Friday	

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Total Income Rd.	—	—	—	—	—
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** S-6 refers to all buying expenses.

Notes of certain older insurance linked plans subject to state laws are on sale.

Plans Not SEC Registered. The regulatory authorities for these funds are:

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- Central Bank of Ireland
- Office of Insurance and Financial Supervision Commission
- Financial Services Department
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- Purchase price - Date of redemption price.
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 - 0900 - 1000 hours
 - 1100 - 1200 hours
 - 1400 - 1700 hours
 - 1700 - midnight

- End charge on date of notice.
- Manager's periodic charge deducted from capital.
- Historic pricing - Future pricing
- Contribution fee of 1% (max).
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- Other notes include an expense waiver option's provision.
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- Quarterly gross.
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WORLD STOCK MARKETS

As builder of the Space Shuttle and its main engines, Rockwell continues to explore the frontiers of space



INDICES

	Mar 1	Feb 29	Feb 28	High	1995/96	Low
Argentina						
General(29/12/77)		\$1 1587.59	16507.85	16191.55	31/1/96	9821.09 9/3/95
Australia						
All Ordinaries(1/1/80)	2313.0	2250.0	2265.7	2313.00	1/3/96	1821.30 8/3/95
All Minog(1/1/80)	1064.2	1045.6	1030.4	1084.20	1/3/96	785.30 8/3/95
Austria						
Credit Aktien(30/12/84)	382.15	379.34	380.41	385.42	2/1/95	328.50 27/10/95
Traded Index(2/1/91)	1074.02	1068.99	1077.82	1084.98	7/2/95	882.15 23/10/95
Brazil						
BSE(20/1/91)	1710.60	1689.85	1682.60	1715.74	1/2/96	1271.53 9/3/95
Brazil						
Eovespac(31/12/83)		\$1 49577.0	51930.0	54109.00	2/2/95	21382.00 9/3/95
Canada						
Nexis Minis(4/1/95)		\$1 5146.35	5121.73	5370.33	8/2/95	3808.63 1/3/95
Comstock(4/1/95)		\$1 4933.72	4947.20	5068.88	14/2/95	3881.41 30/1/95
Portfolio 55(4/1/93)		\$1 2399.29	2405.83	2486.57	8/2/95	1953.36 30/1/95
Chile						
IGPA Gen(31/12/90)		\$1 5588.23	5583.45	6383.10	11/7/95	4578.90 9/3/95
Denmark						
Copenhagen(SGD/1/63)	389.56	387.61	387.99	381.35	13/2/95	330.01 23/3/95
Finland						
HET General(28/12/90)	1831.75	1816.40	1825.43	2322.22	14/9/95	1558.30 29/3/95
France						
SBF 250(31/12/90)	1371.09	1365.08	1354.91	1331.09	1/3/95	1194.41 13/3/95
CAC 40(31/12/90)	2017.19	1930.77	1936.89	2024.08	1/3/95	1721.14 23/10/95
Germany						
FAI Alder(31/12/88)	883.97	879.28	876.80	883.97	1/3/95	708.87 30/3/95
Commercebank(4/1/95)	2562.9	2548.9	2541.2	2592.80	1/3/95	2018.70 30/3/95
DAX(31/12/95)	2501.22	2473.55	2472.50	2501.22	1/3/95	1910.98 28/3/95
Greece						
Alpha SGD(1/12/80)	1017.31	1002.91	999.52	1017.31	1/3/95	787.15 16/3/95
Hong Kong						
HKEX(31/12/95)	1112.00	1110.00	1109.00	1112.00	11/1/95	887.00 28/3/95

US INDICES

WORLD STOCK MARKETS

US stocks in volatile midsession trade

Wall Street

Furniture sales had risen yesterday after signs of material benefits.

Sales had risen higher due to pent-up demand in the UK.

Managing in the UK been relatively quiet over Christmas, the winter's most substantial in an overall trend.

which have months for contracts at 5 per cent of product margins in

Christmas, February. Homeworks three years at informed the sale. The says Hollinger

sale company, is local consumer service for the month.

feels number sales of 51m

st November sold Hickson Specialities, a

an executive group at the operations at

Hickson, Wilson, the

caland

Prospect, the

the Independent

11 February

and Hamilton the NZ radio

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MARKET REPORT

Interest rate optimism drives equities higherBy Steve Thompson,
FT Stock Market Editorwith Mr Eddie George, governor of
the Bank of England, next Thursday.

The London market's recent preoccupation with Wall Street's stream of turbulent performances was set aside yesterday as UK shares surged ahead on growing expectations of interest rate cuts.

The rate cut hopes, which have been on the back burner recently, emerged strongly yesterday in the wake of the latest US Purchasing Managers index which came in at a disappointing 49.8 per cent, against January's 50.3 per cent.

Mr Kenneth Clarke, chancellor of the exchequer, is scheduled to attend his regular monthly meeting with Mr Eddie George, governor of the Bank of England, next Thursday.

Talk around the market was that a reduction of 25 basis points was on the cards. Certainly, the gilt market looked as if it had already factored in a reduction; the 10-year gilt closed up around 1% points, while the 2-year gilt was up 1% points.

The FTSE 100 index rode out the latest extreme volatility on Wall Street, where the Dow Jones Industrial Average initially moved ahead, faltered and then retreated before stabilising again. Footsie held on to most of its earlier gains, closing a net 25.1 up at 3,757.7. The index is

now only 38.7 short of its previous closing high, reached on February 2, and 38.9 off its all-time intraday high.

Yesterday's rise enabled the Footsie to post a 124 point gain in a week when the government's vulnerability in the House of Commons was put to the test by the debate on the Scott report.

Once again the second line stocks, which have outpaced the leaders this year, came up with the goods, with the FTSE Mid 250 closing up a further 21.4 to 4,236.4, yet another all-time high.

The Mid 250's latest sparkling showing reflected the large numbers of interest rate sensitive stock

in the index, notably the builders and numerous consumer stocks. And the prospect of more bids emerging in the utilities sectors was another driving force.

The bid speculation was not confined to the second-liners. Traders insisted a FTSE 100 takeover was being prepared. All the usual suspects were trotted out: Cadbury Schweppes, Lasmo and Royal Bank of Scotland, although other dealers remained sceptical.

It was one of the utilities United Utilities, the merged North West Water and Norweb, that topped the Footsie table, climbing 3 per cent, helped by talk of a broker buy recommendation.

The Mid 250's latest sparkling showing reflected the large numbers of interest rate sensitive stock

Yorkshire Electricity was again seen as a strong contender to attract the attentions of a bidder in the very short term, and the shares rose up over 5 per cent.

There were disappointments, however, as drinks stocks gave ground after broker downgrades, while those that the DTI had referred the European Union to scrutinise the Heublein bid, saw Lloyds Chemists shares plunge 5 per cent.

Turnover in equities continued to give comfort to the City's brokers firms; at the 6 pm reading, volume reached 803.2m shares. Retail business on Thursday was worth £1.7bn.

TRADING VOLUME IN MAJOR STOCKS

	Vol.	Closing Day's price change	Vol.	Closing Day's price change	Vol.	Closing Day's price change	
FTSE 100	516	+0.2	FTSE Mid 250	384	+0.2	FTSE 300	378.5
FTSE 1000	5,200	+0.1	FTSE 1000	1,500	+0.2	FTSE 1000	1,750
FTSE 250	5,600	+0.1	FTSE 250	2,500	+0.2	FTSE 250	1,500
FTSE 300	3,000	+0.1	FTSE 300	8,000	+0.2	FTSE 300	8,000
FTSE 350	3,300	+0.1	FTSE 350	1,200	+0.2	FTSE 350	1,200
FTSE 400	4,700	+0.2	FTSE 400	2,600	+0.2	FTSE 400	2,600
FTSE 500	1,200	+0.2	FTSE 500	1,200	+0.2	FTSE 500	1,200
FTSE 600	370	+0.1	FTSE 600	1,200	+0.2	FTSE 600	1,200
FTSE 700	2,200	+0.1	FTSE 700	2,300	+0.2	FTSE 700	2,300
FTSE 800	9,100	+0.1	FTSE 800	2,750	+0.2	FTSE 800	2,750
FTSE 900	3,400	+0.1	FTSE 900	1,100	+0.2	FTSE 900	1,100
FTSE 1000	3,200	+0.1	FTSE 1000	800	+0.2	FTSE 1000	800
FTSE 1250	3,300	+0.1	FTSE 1250	1,200	+0.2	FTSE 1250	1,200
FTSE 1500	12,000	+0.1	FTSE 1500	4,000	+0.2	FTSE 1500	4,000
FTSE 1800	5,500	+0.1	FTSE 1800	2,500	+0.2	FTSE 1800	2,500
FTSE 2000	5,500	+0.1	FTSE 2000	1,200	+0.2	FTSE 2000	1,200
FTSE 2500	11,600	+0.1	FTSE 2500	1,200	+0.2	FTSE 2500	1,200
FTSE 3000	1,100	+0.1	FTSE 3000	1,200	+0.2	FTSE 3000	1,200
FTSE 3500	1,100	+0.1	FTSE 3500	1,200	+0.2	FTSE 3500	1,200
FTSE 4000	1,100	+0.1	FTSE 4000	1,200	+0.2	FTSE 4000	1,200
FTSE 5000	1,100	+0.1	FTSE 5000	1,200	+0.2	FTSE 5000	1,200
FTSE 6000	1,100	+0.1	FTSE 6000	1,200	+0.2	FTSE 6000	1,200
FTSE 7000	1,100	+0.1	FTSE 7000	1,200	+0.2	FTSE 7000	1,200
FTSE 8000	1,100	+0.1	FTSE 8000	1,200	+0.2	FTSE 8000	1,200
FTSE 9000	1,100	+0.1	FTSE 9000	1,200	+0.2	FTSE 9000	1,200
FTSE 10000	1,100	+0.1	FTSE 10000	1,200	+0.2	FTSE 10000	1,200
FTSE 12500	1,100	+0.1	FTSE 12500	1,200	+0.2	FTSE 12500	1,200
FTSE 15000	1,100	+0.1	FTSE 15000	1,200	+0.2	FTSE 15000	1,200
FTSE 18000	1,100	+0.1	FTSE 18000	1,200	+0.2	FTSE 18000	1,200
FTSE 20000	1,100	+0.1	FTSE 20000	1,200	+0.2	FTSE 20000	1,200
FTSE 25000	1,100	+0.1	FTSE 25000	1,200	+0.2	FTSE 25000	1,200
FTSE 30000	1,100	+0.1	FTSE 30000	1,200	+0.2	FTSE 30000	1,200
FTSE 35000	1,100	+0.1	FTSE 35000	1,200	+0.2	FTSE 35000	1,200
FTSE 40000	1,100	+0.1	FTSE 40000	1,200	+0.2	FTSE 40000	1,200
FTSE 50000	1,100	+0.1	FTSE 50000	1,200	+0.2	FTSE 50000	1,200
FTSE 60000	1,100	+0.1	FTSE 60000	1,200	+0.2	FTSE 60000	1,200
FTSE 70000	1,100	+0.1	FTSE 70000	1,200	+0.2	FTSE 70000	1,200
FTSE 80000	1,100	+0.1	FTSE 80000	1,200	+0.2	FTSE 80000	1,200
FTSE 90000	1,100	+0.1	FTSE 90000	1,200	+0.2	FTSE 90000	1,200
FTSE 100000	1,100	+0.1	FTSE 100000	1,200	+0.2	FTSE 100000	1,200
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FTSE 150000	1,100	+0.1	FTSE 150000	1,200	+0.2	FTSE 150000	1,200
FTSE 180000	1,100	+0.1	FTSE 180000	1,200	+0.2	FTSE 180000	1,200
FTSE 200000	1,100	+0.1	FTSE 200000	1,200	+0.2	FTSE 200000	1,200
FTSE 250000	1,100	+0.1	FTSE 250000	1,200	+0.2	FTSE 250000	1,200
FTSE 300000	1,100	+0.1	FTSE 300000	1,200	+0.2	FTSE 300000	1,200
FTSE 350000	1,100	+0.1	FTSE 350000	1,200	+0.2	FTSE 350000	1,200
FTSE 400000	1,100	+0.1	FTSE 400000	1,200	+0.2	FTSE 400000	1,200
FTSE 500000	1,100	+0.1	FTSE 500000	1,200	+0.2	FTSE 500000	1,200
FTSE 600000	1,100	+0.1	FTSE 600000	1,200	+0.2	FTSE 600000	1,200
FTSE 700000	1,100	+0.1	FTSE 700000	1,200	+0.2	FTSE 700000	1,200
FTSE 800000	1,100	+0.1	FTSE 800000	1,200	+0.2	FTSE 800000	1,200
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FTSE 1000000	1,100	+0.1	FTSE 1000000	1,200	+0.2	FTSE 1000000	1,200
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FTSE 1500000	1,100	+0.1	FTSE 1500000	1,200	+0.2	FTSE 1500000	1,200
FTSE 1800000	1,100	+0.1	FTSE 1800000	1,200	+0.2	FTSE 1800000	1,200
FTSE 2000000	1,100	+0.1	FTSE 2000000	1,200	+0.2	FTSE 2000000	1,200
FTSE 2500000	1,100	+0.1	FTSE 2500000	1,200	+0.2	FTSE 2500000	1,200
FTSE 3000000	1,100	+0.1	FTSE 3000000	1,200	+0.2	FTSE 3000000	1,200
FTSE 3500000	1,100	+0.1	FTSE 3500000	1,200	+0.2	FTSE 3500000	1,200
FTSE 4000000	1,100	+0.1	FTSE 4000000	1,200	+0.2	FTSE 4000000	1,200
FTSE 5000000	1,100	+0.1	FTSE 5000000	1,200	+0.2	FTSE 5000000	1,200
FTSE 6000000	1,100	+0.1	FTSE 6000000	1,200	+0.2	FTSE 6000000	1,200
FTSE 7000000	1,100	+0.1	FTSE 7000000	1,200	+0.2	FTSE 7000000	1,200
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TRUSTS SPLIT CAPITAL - Cont.	
LEISURE & HOTELS - Cont.	
LIFE ASSURANCE	
MEDIA	
OTHER INVESTMENT TRUSTS	
INVESTMENT COMPANIES	
OIL EXPLORATION & PRODUCTION	
OIL, INTEGRATED	
OTHER FINANCIAL	
OTHER FINANCIAL - Cont.	
PROPERTY - Cont.	
PAPER, PACKAGING & PRINTING	
RETAILERS, FOOD	
PHARMACEUTICALS	
RETAILERS, GENERAL	
SUPPORT SERVICES - Cont.	
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TEXTILES & APPAREL	
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RETAILERS, GENERAL - Cont.	
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A WRITER

FINANCIAL TIMES

Weekend March 2/March 3 1996

The MALT

Clinton grants visa to Sinn Féin leader Adams

By Robert Peston and James Harding in London, Patti Waldmeir in Washington and John Kampfner in Bangkok

US President Bill Clinton last night agreed to give a visa to Mr Gerry Adams, the leader of Sinn Féin, the political wing of the IRA, against the wishes of the UK government.

The granting of a three-month, multiple entry visa follows an outburst by Mr John Major, the UK prime minister, on Thursday against the terrorist group's failure to renew its ceasefire.

The British government has recently said Mr Major would not try to intervene in any visa decision. However, ministers and officials have privately said they would have preferred Mr Adams to be barred from the US.

It is understood that Mr Adams will not be allowed to raise funds while in the US for St Patrick's day celebrations on March 17. He will also be barred from a White House party to mark the Irish holiday.

He will have meetings with US officials, but not the president or

secretary of state, and will not be allowed on US administration property. The visa is understood to be revocable if there are further bombings by the IRA.

A White House official said: "The president would not have taken the step of approving the visa if he did not believe, based on our contact with Mr Adams, that this could further the peace process."

A UK minister said last night the prime minister was unlikely to be incensed by the US decision, since the visa conditions reflected the end of the IRA's ceasefire.

"It is not business as usual for Mr Adams", he said, while admitting that it would have been preferable for the Sinn Féin president to have been kept out of the US.

Downing Street spokesman said: "This was, as we have always said, a matter for the American government." British officials were understood to be relieved that no meeting had been granted with the president or other administration heads.

There was also uncertainty last night about whether the US had

unilaterally imposed a ban on fund-raising by Mr Adams or whether he had failed to ask for the facility. There were reports that Mr Adams did not ask for permission to raise funds, so the issue did not arise.

In a further setback for Mr Major, it emerged yesterday that the biggest Northern Ireland party, the Ulster Unionists, are threatening not to co-operate in talks designed to choose the method for special elections in the province as a precursor to all-party negotiations.

The Ulster Unionists yesterday signalled they may not participate in the talks in Belfast, but only discuss plans for elections through meetings with ministers in Westminster.

Mr Ken Maginnis MP, the UUP spokesman on security, said: "We will not be at Stormont [in Belfast] on Monday. We will decide beyond that if it is necessary to be there."

Sinn Féin will have access to both UK and Irish government officials but will not be invited to attend the ministerial talks until the IRA announces a ceasefire.

Gorbachev plans to stand for Russian president

By John Thornhill in Moscow

Mr Mikhail Gorbachev, the former Soviet leader who dismantled the country's totalitarian system, yesterday came out of retirement and declared he wanted to be the next Russian president.

Mr Gorbachev, seemingly loathed in Russia as much as he is lauded in the west, appears to stand little chance of success in the June election and has no formal party structure to support his candidacy.

A recent poll in the *Sevodnya* newspaper placed him ninth in a list of possible presidential candidates with just 1 per cent support. Mr Gorbachev is blamed by many for undermining their economic security and destroying the Soviet Union's superpower status.

Nevertheless, support groups have raised 700,000 signatures and are confident of gathering the 1m needed to register Mr Gorbachev as an official candidate.

At a press conference yesterday, the former leader, who has been on the lecture circuit and presiding over a think-tank, made clear that he would stand.

Mr Gorbachev said he would still be prepared to step aside as a candidate if a stronger democratic challenger emerged and some observers doubted he would even contest the poll on June 16.

Mr Gorbachev condemned the Communist party which he once headed. But while many of Russia's elderly appear nostalgic for the simple certainties of the Soviet era, few appear to have retained much fondness for Mr Gorbachev. Nor do Russia's pro-western politicians seem likely to back the man who popularised *perestroika*.

Most Russian liberals are likely to support the candidacy of Mr Grigory Yavlinsky, a former Gorbatchev aide who now heads the Yabloko faction and represents a younger generation of reformers.

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Mr Yeltsin returned as Russian president four years later to humiliate Mr Gorbachev by dissolving the Soviet Union and effectively making his erstwhile tormentor redundant.

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